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LEGISLATIVE HISTORY

Public Law 85-58
H. R. 7221

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Index and summary of H. R. 7221

- May 3, 1957 House Appropriations Committee reported H. R. 7221 without amendment. House Report No. 386. Print of bill and report.
- May 7, 1957 House passed H. R. 7221 with amendment.
- May 8, 1957 H. R. 7221 referred to Senate Appropriations Committee. Print of bill as referred.
- May 15, 1957 Senate committee reported H. R. 7221 with amendments. Senate Report No. 310. Print of bill and report.
- May 17, 1957 Senate made H. R. 7221 its unfinished business.
- May 20, 1957 Senate passed H. R. 7221 with amendments. Senate conferees appointed. Print of bill as passed by Senate.
- May 22, 1957 House conferees appointed.
- May 23, 1957 Conferees agreed to file report.
- May 24, 1957 House received conference report. House Report No. 478. Print of conference report.
- June 18, 1957 House agreed to conference report.
- June 19, 1957 Senate agreed to conference report.
- June 21, 1957 Approved: Public Law 85-58

Hearings: House and Senate

DIGEST OF PUBLIC LAW 85-58

THIRD SUPPLEMENTAL APPROPRIATION BILL FOR 1957. Provides \$250,000 for penalty mail costs of State Experiment Station Directors, \$514,000 for penalty mail costs of State Extension Service Directors, \$800,000 for Forest Service control of forest pests, \$23,400 for the Office of the Secretary to cover costs resulting from Federal Pay Act of 1956, \$2,000,000 for Commodity Credit Corporation expenses in connection with increased price support operations, \$4,000,000 for emergency conservation measures, and \$11,500,000 for emergency feed and seed assistance. Provides \$26,000,000 borrowing authorization for increased FHA farm ownership loans. Provides for an increase of \$66,000 in limitation on construction of buildings for the replacement of a building at the Big Spring (Tex.) Field Station.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 7, 1957
For actions of May 6, 1957
85th-1st, No. 74

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HIGHLIGHTS: House passed bills for sale of extra-long staple cotton from stockpile, and for relief from certain CCC claims in emergency feed program. Rep. Coad criticized administration of farm program. House committee reported (May 3) third supplemental appropriation bill. House committee ordered reported bills to extend Public Law 480, to provide compulsory inspection of poultry, and to provide self-help meat promotion program.

HOUSE - May 3

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957. The Appropriations Committee reported without amendment this bill, H.R. 7221, (H. Rept. 386). p. 5710 The bill includes the following items for this Department:

Agricultural Research Service:

Increase of \$66,000 in limitation on construction of buildings for replacement of a building at the Big Spring (Tex.) Field Station.

Penalty mail costs of State Experiment Station Directors, \$250,000.

Federal Extension Service, penalty mail costs of State Extension Service Directors, \$514,000.

Office of the Secretary, increased costs resulting from Federal Pay Act of 1956, \$23,400.

Forest Service, control of forest pests, \$800,000.

(All of the above amounts are the same as the Budget Estimates and would be provided by transfer from other appropriations of the Department.)

Increase in administrative expense limitation for Commodity Credit Corporation, \$2,000,000 (Budget Estimate, \$2,500,000).

Various amounts for claims for damages, audited claims, and judgments.

Excerpts from the committee report:

Emergency range conservation. "The committee has not included budget language which would have permitted the transfer of \$25,000,000 from funds available to the Soil Bank to implement the recommendations on deferred

grazing in the President's recent drought message. New legislation on this subject has just been adopted which will require the submission of a revised estimate at a later date. The Committee feels that this item should be denied at this time. Also, it is to be noted that the situation has now changed in much of the drought area."

Employees' life insurance. "The Committee has not approved a \$76,500 increase in limitation for administrative expenses of this fund. The amount was requested for the Federal Government to assume the assets and liabilities of certain employee beneficial associations. Approval would cost the insurance fund \$22,000,000. The Committee is sympathetic, however, to the insurance needs of members of associations who retired from Federal employment before the Federal insurance program became effective, and would consider a fair and reasonable ^{proposal} by the Civil Service Commission to assume the policies of such members."

Flood insurance. "The committee has denied the \$50,000,000 budget estimate to institute a new and experimental subsidy program of Federal flood insurance, but recommends that the agency use the \$325,000 it now has for further study to develop a more workable plan. The proposal for flood indemnity that has been presented to the Committee is too indefinite and costly.

"The present plan contemplates that 40% of the cost of the premiums and all administrative costs would be borne by the Federal government. The premium cost is almost prohibitive. The Government would underwrite all losses, and estimates of those losses are too indefinite. The program certainly would be very costly to the Government and the policyholders.

"It is clear that the budget estimate for \$50,000,000 is merely the initial step committing the taxpayers to a new program and the Committee does not recommend such a step at this time when every effort is being made to reduce Federal spending."

HOUSE - May 6

2. COTTON. Passed without amendment H. J. Res. 172, to provide for the transfer of 50,000 bales of extra-long staple cotton from the stockpile to CCC for sale at not less than the prices which CCC may sell its own stocks. p. 5666
3. FEED GRAINS. Passed without amendment H.R. 2486, to authorize CCC to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under the emergency feed program. p. 5666
4. FARM PROGRAM. Rep. Coad criticized farm policies as being favorable to the "large, efficient commercial farmers," and urged the appointment of former Congressman Clifford Hope as Secretary of Agriculture. pp. 5660-61
5. SURPLUS DISPOSAL; POULTRY; MEATS. The Agriculture Committee ordered reported, on May 3, the following bills: p. D375
 - H.R. 6974, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year, to increase the authorization under Title I from \$3 billion to \$4 billion, and to authorize \$300 million additional under Title II for famine relief.
 - H.R. 6814, to provide for the compulsory inspection by the Department of Agriculture of poultry and poultry products.
 - H.R. 5244 (a clean bill to be introduced), to provide for a self-help meat promotion program.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

MAY 3, 1957.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

MR. CANNON, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 7221]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The estimates upon which the bill is based are contained in House Documents Nos. 115, 144, and 156. The bill is divided into chapters corresponding to the subcommittees considering the detailed estimates.

SUMMARY OF BILL

Budget estimates considered by the Committee total \$149,905,663. Appropriations recommended total \$79,840,788, a decrease of \$70,064,875. Amounts of the estimates and recommendations are distributed by chapters of the bill as indicated in the following table:

Chapter	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
I	Agriculture-----	(\$28, 287, 400)	(\$2, 787, 400)	(-\$25, 500, 000)
II	Commerce-----	1, 025, 000	25, 000	-1, 000, 000
III	Defense-----	(1)	(1)	-----
IV	General Government matters-----	(2)	(2)	-----
V	Independent offices-----	129, 892, 000	66, 400, 000	-63, 492, 000
VI	Interior-----	37, 700	37, 700	-----
VII	Labor and Health, Education, and Welfare-----	2, 776, 200	2, 036, 400	-739, 800
VIII	Public Works-----	269, 000	159, 000	-110, 000
IX	State, Justice, and the Judiciary-----	11, 832, 284	7, 121, 709	-4, 710, 575
X	District of Columbia-----	(1, 016, 207)	(1, 016, 207)	-----
XI	Legislative-----	1, 344, 740	1, 332, 240	-12, 500
XII	Claims and judgments-----	2, 728, 739	2, 728, 739	-----
	Total-----	149, 905, 663	79, 840, 788	-70, 064, 875

¹ Amounts derived by transfer.² Language continuing unobligated balances through Sept. 28, 1957.

CHAPTER I

SUBCOMMITTEE

JAMIE L. WHITTEN, Mississippi, *Chairman*

FRED MARSHALL, Minnesota

WILLIAM H. NATCHER, Kentucky

JAMES B. BOWLER, Illinois

H. CARL ANDERSEN, Minnesota

WALT HORAN, Washington

CHARLES W. VURSELL, Illinois

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Salaries and expenses: Research.—The committee approves the budget language increasing the construction limitation under this head by \$66,000 for the replacement of a building at the Big Spring Field Station at Big Spring, Texas, which was destroyed by fire on September 26, 1956. The building is needed to continue research on soil and water conservation for the dry land areas of the Southern Great Plains and for beef cattle research.

No additional appropriation is required since the replacement cost will be absorbed within present funds available in this appropriation.

Payments to States, Hawaii, Alaska, and Puerto Rico: Penalty mail.—The full budget estimate of \$250,000 is recommended to reimburse the Post Office for the fiscal year 1957 penalty mail costs of the state agricultural experiment stations. Public Law 705, approved July 14, 1956, subsequent to enactment of the regular 1957 appropriation bill, provides for payment of this cost by the Department of Agriculture in lieu of previous arrangements whereby it was handled by the Post Office Department.

The funds will be obtained by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, and Puerto Rico," fiscal year 1957.

EXTENSION SERVICE

Federal Extension Service: Penalty mail.—The sum of \$514,000, the full budget estimate, is proposed for the 1957 penalty mail costs of this Service. As outlined above, the Department of Agriculture must now reimburse the Post Office Department for penalty mail costs under Public Law 705, approved July 14, 1956.

The funds will be obtained by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, Puerto Rico," fiscal year 1957.

AGRICULTURAL CONSERVATION PROGRAM

Emergency range Conservation.—The committee has not included budget language which would have permitted the transfer of \$25,000,-000 from funds available to the Soil Bank to implement the recom-

mendations on deferred grazing in the President's recent drought message. New legislation on this subject has just been adopted which will require the submission of a revised estimate at a later date. The Committee feels that this item should be denied at this time. Also, it is to be noted that the situation has now changed in much of the drought area.

OFFICE OF THE SECRETARY

Salaries and expenses.—The bill includes language providing for an additional \$23,400 to meet the increased costs for this office resulting from the Federal Pay Act of 1956. This money will be obtained by transfer from other appropriations of the Department where personnel savings can be made, or by absorption within appropriations for this Office. Department witnesses testified that economical operation of the Secretary's Office may make it possible to meet this obligation without transferring the entire amount. Accordingly the language approved by the committee provides that "not to exceed" \$23,400 may be transferred.

COMMODITY CREDIT CORPORATION

Administrative expense limitation.—The budget estimate proposed language increasing the limitation on the use of funds for administrative expenses in fiscal year 1957 by \$2,500,000. The Committee is recommending the sum of \$2,000,000, a reduction of \$500,000.

The volume of commodities being handled by the Corporation during the current fiscal year is substantially larger than contemplated when the regular 1957 bill was considered. In view of the obligation of the Corporation to make loans, take over commodities surrendered, and meet other demands resulting from basic price support laws, the Corporation must meet the increased workload as it develops. Further, increased transactions have resulted from the expanded export sales program of the Corporation.

Comparative statement of budget estimates and amounts recommended in the bill

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

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H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF AGRICULTURE			
	AGRICULTURAL RESEARCH SERVICE			
115	Salaries and expenses: Research.....	(¹)	(¹)	-----
115	Payments to States, Hawaii, Alaska, and Puerto Rico: Penalty mail ²	(\$250, 000)	(\$250, 000)	-----
	EXTENSION SERVICE			
115	Federal Extension Service: Penalty mail ²	(514, 000)	(514, 000)	-----
	AGRICULTURAL CONSERVATION PROGRAM			
115	Emergency range conservation ³	(25, 000, 000)	-----	(—\$25, 000, 000)
	OFFICE OF THE SECRETARY			
115	Salaries and expenses ⁴	(23, 400)	(23, 400)	-----
	COMMODITY CREDIT CORPORATION			
115	Administrative expense limitation	(2, 500, 000)	(2, 000, 000)	(—500, 000)
	Total, Chapter I	(28, 287, 400)	(2, 787, 400)	(—25, 500, 000)

¹ Language increasing construction limitation in 1957 Act from \$1,850,000 to \$1,916,000.

² To be obtained by transfer from "Payments to States, Hawaii, Alaska, and Puerto Rico," Extension Service.

³ Proposed by budget estimate to be transferred from funds available to the soil bank.

⁴ To be obtained by transfer from appropriations available to the Department of Agriculture for salaries and expenses.

CHAPTER II

SUBCOMMITTEE

PRINCE H. PRESTON, Georgia, *Chairman*

ALBERT THOMAS, Texas
JOHN J. ROONEY, New York
SIDNEY R. YATES, Illinois
JOHN F. SHELLEY, California
DANIEL J. FLOOD, Pennsylvania

CLIFF CLEVINGER, Ohio
FRANK T. BOW, Ohio
WALT HORAN, Washington
MELVIN R. LAIRD, Wisconsin

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

Salaries and expenses.—The Committee recommends the budget language which provides an additional \$55,000 for retirement pay of commissioned officers resulting from a larger number of officer retirements than expected at the time the regular 1957 appropriation was enacted. The language in the bill provides that these funds will be obtained by transfer from National Bureau of Standards appropriations, rather than from a new appropriation.

PANAMA CANAL COMPANY

Panama Canal Bridge.—The budget estimate of \$1,000,000 for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, has not been approved by the Committee. In view of the need, wherever feasible, to delay all new undertakings of this kind until the Federal fiscal situation has improved, action on this item is deferred.

TARIFF COMMISSION

Salaries and expenses.—To meet the added cost due to the Federal Executive Pay Act of 1956, the Committee recommends the budget estimate of \$25,000. In view of the limited amount of funds available to this organization, absorption of this item does not appear to be feasible.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF COMMERCE			
	COAST AND GEODETIC SURVEY			
115	Salaries and expenses ¹	(\$55, 000)	(\$55, 000)	-----
	RELATED AGENCIES			
	PANAMA CANAL COMPANY			
115	Panama Canal Bridge	1, 000, 000	-----	-\$1, 000, 000
	TARIFF COMMISSION			
115	Salaries and expenses	25, 000	25, 000	-----
	Total, Chapter II	1, 025, 000	25, 000	- 1, 000, 000

¹ To be obtained by transfer from "Expenses," National Bureau of Standards, fiscal year 1957.

CHAPTER III

SUBCOMMITTEE

GEORGE H. MAHON, Texas, *Chairman*

HARRY R. SHEPPARD, California
ROBERT L. F. SIKES, Florida
W. F. NORRELL, Arkansas
JAMIE L. WHITTEN, Mississippi
GEORGE W. ANDREWS, Alabama
JOHN J. RILEY, South Carolina
DANIEL J. FLOOD, Pennsylvania

RICHARD B. WIGGLESWORTH, Massachusetts
ERRETT P. SCRIVNER, Kansas
GERALD R. FORD, Jr., Michigan
EDWARD T. MILLER, Maryland
HAROLD C. OSTERTAG, New York

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY

MEDICAL CARE

The Committee recommends an additional amount of \$10,000,000 for medical care to provide for costs incident to the care of dependents of members of the Navy in civilian hospitals, a reduction of \$2,200,000 in the budget estimate. This care was authorized by Public Law 569 of the 84th Congress and became effective December 7, 1956. No provisions were made for this activity in the budget submitted to the Congress for fiscal year 1957. The funds approved by the Committee will be derived by transfer from the appropriation for "Construction of ships."

SERVICEWIDE SUPPLY AND FINANCE

The Committee recommends \$8,000,000 for an additional amount for servicewide supply and finance as recommended in the budget estimate. This will provide additional funds for transportation costs which have increased since the passage of the Department of Defense Appropriation Act for 1957 as a result of rate increases and additional costs incurred in the transportation of petroleum products largely as a result of Navy redistribution requirements during the recent Suez crisis. The funds made available will be derived by transfer from the appropriations for "Reserve personnel, Navy" and "Military personnel, Marine Corps."

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimate
115	DEPARTMENT OF DEFENSE			
	DEPARTMENT OF THE NAVY			
	Medical care, Navy-----	¹ (\$12, 200, 000)	¹ (\$10, 000, 000)	(-\$2, 200, 000)
	Servicewide supply and finance-----	² (8, 000, 000)	³ (8, 000, 000)	-----
	Total, Chapter III-----	(20, 200, 000)	(18, 000, 000)	(-2, 200, 000)

¹ To be derived by transfer from appropriation for "Construction of ships."

² To be derived by transfer from appropriation for "Marine Corps troops and facilities."

³ To be derived by transfer of \$5,000,000 from appropriation for "Reserve personnel, Navy," and \$3,000,000 from the appropriation for "Military personnel, Marine Corps."

CHAPTER IV

SUBCOMMITTEE

GEORGE W. ANDREWS, Alabama, *Chairman*

GEORGE H. MAHON, Texas
HARRY R. SHEPPARD, California
J. VAUGHAN GARY, Virginia
LOUIS C. RABAUT, Michigan
JOHN F. SHELLEY, California

IVOR D. FENTON, Pennsylvania
FREDERIC R. COUDERT, JR., New York
EARL WILSON, Indiana
BENJAMIN F. JAMES, Pennsylvania

GENERAL GOVERNMENT MATTERS

COMMISSION ON GOVERNMENT SECURITY

Salaries and expenses.—The Committee recommends language as requested in House Document No. 115, explained therein as follows:

No appropriation was recommended for 1958 in the annual budget because it appeared that the Commission's work could be completed and its activities closed out by the end of the current fiscal year. The Commission's report to the President and the Congress is due not later than June 30, 1957, and the Commission ceases to exist 90 days thereafter. It is contemplated that the report will be finished within the time prescribed. It is now apparent, however, that the 90-day period after submission of the report will be required to close out the Commission's activities. The necessary financing can be most readily accomplished by continuing available the unobligated balance of the 1957 appropriation.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	GENERAL GOVERNMENT MATTERS			
	COMMISSION ON GOVERNMENT SECURITY			
115	Salaries and expenses-----	(1)	(1)	-----

¹ Language continuing unobligated balances available through Sept. 28, 1957.

CHAPTER V

SUBCOMMITTEE

ALBERT THOMAS, Texas, Chairman

SIDNEY R. YATES, Illinois

JOE L. EVINS, Tennessee

EDWARD P. BOLAND, Massachusetts

CHARLES W. VURSELL, Illinois

HAROLD O. OSTERTAG, New York

CHARLES RAPER JONAS, North Carolina

INDEPENDENT OFFICES

CIVIL SERVICE COMMISSION

Salaries and expenses.—The Committee has denied the budget estimate for an increase of \$150,000 for salaries and expenses of this Commission. Since the beginning of the fiscal year no significant new activities have been added and the Committee can see no necessity for a supplemental appropriation.

Annuities, Panama Canal construction employees and Lighthouse Service widows.—The budget estimate for this item is \$552,000. The Committee has allowed \$500,000 which should provide the amount that will be required by the Commission for the remainder of the fiscal year.

Administrative expenses, Employees' life insurance fund.—The Committee has not approved a \$76,500 increase in limitation for administrative expenses of this fund. The amount was requested for the Federal government to assume the assets and liabilities of certain employee beneficial associations. Approval would cost the insurance fund \$22,000,000. The Committee is sympathetic, however, to the insurance needs of members of associations who retired from Federal employment before the Federal insurance program became effective, and would consider a fair and reasonable proposal by the Civil Service Commission to assume the policies of such members.

GENERAL SERVICES ADMINISTRATION

Operating expenses, Public Buildings Service.—The bill contains \$900,000 to pay wage-board pay increases granted during the fiscal year 1957 to certain employees of the General Services Administration, and which were effected through April 7, 1957. The budget estimate also included \$320,000 as a contingent amount and such amount is denied.

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator.—The Committee has denied the budget estimates for \$170,000 for administrative expenses, and \$800,000 for studies of housing design and construction, supply and demand, and the mortgage market. Such studies may be of value but the Committee does not consider them to be essential at this time.

Federal Flood Indemnity Administration.—The Committee has denied the \$50,000,000 budget estimate to institute a new and experimental subsidy program of Federal flood insurance, but recommends that the agency use the \$325,000 it now has for further study to develop a more workable plan. The proposal for flood indemnity that has been presented to the Committee is too indefinite and costly.

The present plan contemplates that 40% of the cost of the premiums and all administrative costs would be borne by the Federal government. The premium cost is almost prohibitive. The Government would underwrite all losses, and estimates of those losses are too indefinite. The program certainly would be very costly to the Government and the policyholders.

It is clear that the budget estimate for \$50,000,000 is merely the initial step committing the taxpayers to a new subsidy program and the Committee does not recommend such a step at this time when every effort is being made to reduce Federal spending.

Federal National Mortgage Association.—The request to increase the limitation on administrative expenses of the Association by \$200,000 is not allowed. Although there is an increase in workload in the current year over fiscal 1956, the \$4,025,000 presently available for 1957 is \$530,000 more than the amount actually used in 1956 and such increase should be adequate.

VETERANS ADMINISTRATION

Medical administration and miscellaneous operating expenses.—The language proposed in the budget estimate to increase the limitation on expenses of travel by \$20,000 is not allowed. The travel limitation for 1957 presently is \$992,200, or approximately 5 percent of the total appropriation, and the Committee considers such amount to be more than sufficient to provide for all necessary travel in connection with this item.

Inpatient care.—The Committee has not approved a proposed transfer of \$3,000,000 from other appropriations of the Veterans Administration to this item. In providing the entire \$662,900,000 requested in the budget estimate at the beginning of the year, the Committee considered such amount to be more than adequate for the entire year. Since that time the patient load has decreased by 1,000 below the number then provided for. This \$3,000,000 available for transfer should be held as an unobligated balance and be returned to the Treasury at the end of the fiscal year. The remainder of wage-board pay increase costs for which transfers were requested should be absorbed.

Readjustment benefits.—The bill provides \$65,000,000 for this purpose, a reduction of \$12,000,000 in the budget estimate. The additional amount recommended is necessary because veterans of the Korean conflict enrolling in educational institutions are in excess of estimates made earlier in the year. The item also includes funding requirements for the War Orphans Educational Assistance Act of 1956 for which appropriations have not previously been provided.

Automobiles and other conveyances for disabled veterans.—The bill provides \$850,000 for this item, a reduction of \$150,000 in the estimate. Such sum is to be made available by transfer from the appropriation for compensation and pensions.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	INDEPENDENT OFFICES			
	CIVIL SERVICE COMMISSION			
115	Salaries and expenses.....	\$150, 000	-----	—\$150, 000
115	Annuities, Panama Canal construction employees and Light-house Service widows.....	552, 000	\$500, 000	—52, 000
115	Employees' life insurance fund, administrative expenses (increase in limitation).....	(76, 500)	-----	(—76, 500)
	GENERAL SERVICES ADMINISTRATION			
115	Public Buildings Service, operating expenses.....	1, 220, 000	900, 000	—320, 000
	HOUSING AND HOME FINANCE AGENCY			
	Office of the Administrator:			
115	Housing studies, administrative expenses.....	170, 000	-----	—170, 000
115	Housing studies.....	800, 000	-----	—800, 000
115	Federal Flood Indemnity Administration.....	50, 000, 000	-----	—50, 000, 000
115	Federal National Mortgage Association (increase in limitation).....	(200, 000)	-----	(—200, 000)

VETERANS ADMINISTRATION

	(¹)		
115 Medical administration and miscellaneous operating expenses.....			
115 Inpatient care (transfers).....	(3, 000, 000)	(¹)	(-3, 000, 000)
115 Readjustment benefits.....	77, 000, 000	65, 000, 000	-12, 000, 000
115 Automobiles and other conveyances for disabled veterans (transfer).....	(1, 000, 000)	(850, 000)	(-150, 000)
Total, Chapter V.....	129, 892, 000	66, 400, 000	-63, 492, 000

¹ Language.

CHAPTER VI

SUBCOMMITTEE

MICHAEL J. KIRWAN, *Chairman*

W. F. NORRELL, Arkansas

ALFRED D. SIEMINSKI, New Jersey

DON MAGNUSON, Washington

BEN F. JENSEN, Iowa

IVOR D. FENTON, Pennsylvania

HAMER H. BUDGE, Idaho

DEPARTMENT OF INTERIOR

BUREAU OF INDIAN AFFAIRS

Resources management.—The Committee has approved the budget request of \$133,000 to assist the Indians of the Gila River Indian Reservation in the payment of their irrigation operation and maintenance assessments on the San Carlos irrigation project. Due to crop failure resulting from the drought, the tribe will be able to pay only \$25,000 of its assessment charge of \$158,000 for the current fiscal year. The Committee action is predicated on the existing emergency and it is expected that the tribe will resume full payment of its obligation in succeeding fiscal years.

The \$133,000 provided in the bill will be absorbed within existing funds through transfer from the Bureau's appropriation for "Education and welfare services" as proposed in the budget estimate.

FISH AND WILDLIFE SERVICE

General administrative expenses.—The Committee has allowed \$75,000, a reduction of \$164,000 from the budget request, to provide during the remainder of the current fiscal year for additional administrative costs incident to the reorganization of the Fish and Wildlife Service authorized by the Fish and Wildlife Act of 1956.

The budget request proposed that on an annual basis the direct appropriation for administrative overhead be increased from the present base of \$852,500 to \$1,757,000. This would represent an increase of \$904,500, or more than double the present cost of administration. In addition, it should be noted that under a separate item below, an increase of \$94,000 on an annual basis was requested under the reorganization to establish the new Office of the Assistant Secretary for Fish and Wildlife.

The budget request includes 114 additional positions compared to the present administrative staff of 140, or an increase of 82 percent. Under the proposed plan entirely separate administrative staffs would be established in Washington and the regional offices for the Bureau of Sport Fisheries and Wildlife and the Bureau of Commercial Fisheries. The Committee sees no justification for providing such costly duplicate staffs for provision of budget, personnel, property management, and other housekeeping services. It, therefore, recommends that the increase in administrative overhead be limited to \$300,000 on an annual basis. This, together with the annual cost of \$94,000 for the Office of the Assistant Secretary will provide a total increase of \$394,000

in direct appropriations over the present base of \$852,500 for administrative expenses.

The increase allowed will make available on an annual basis a total of \$295,000 for the Office of the Commissioner, an increase of \$100,000 over current funds available. This will provide for the establishment of the immediate Office of the Commissioner and \$59,000 for expansion of the Office of Program Review. No increase for the Office of Information over the \$150,000 currently available is believed warranted. However, \$108,000 is recommended, as proposed by the Department, to place the entire financing of this activity on a direct appropriation basis in lieu of the present use of permanent appropriations for this purpose. The Committee allowance also includes provision for a regional director and assistant regional director for the Bureau of Commercial Fisheries in each region. This will cost \$176,600 on an annual basis of which \$92,000 is to be financed from direct appropriation.

The Committee believes that the increases allowed together with efficient utilization of the present administrative staff will provide adequately for the reorganization contemplated by Public Law 1024 (84th Congress). The Committee requests that every effort be made to hold costs, including reclassifications of personnel, to the minimum necessary to effectuate the reorganization.

In addition to the direct appropriation of \$1,152,500 approved by the Committee on an annual basis, there are available to the Fish and Wildlife Service other funds to pay the administrative expenses incident to carrying out programs financed from permanent appropriations. The Committee has approved a maximum of \$995,500 for this purpose.

ADMINISTRATION, DEPARTMENT OF INTERIOR

Salaries and expenses.—The Committee has allowed \$65,000, a reduction of \$10,700 from the budget estimate. The amount provided includes \$44,000 for the remainder of the current fiscal year for expenses of the Office of Assistant Secretary for Fish and Wildlife established pursuant to the Fish and Wildlife Act of 1956, and \$21,000 for increased pay costs authorized by the Executive Pay Act, approved July 31, 1956.

The amount allowed is to be absorbed by transfer from unobligated balances of certain appropriations available to the Department as proposed in the budget request.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

SALARIES AND EXPENSES

Control of forest pests.—The Committee recommends \$800,000, the budget estimate, for control of the spruce budworm in southern Idaho, blackheaded budworm in northern Idaho and western Montana, jack-pine budworm in Minnesota and Wisconsin, and the southern pine beetle in Great Smoky Mountain National Park. These infestations are causing severe and widespread damage and control measures should

be undertaken as soon as possible to prevent further timber losses and to reduce the cost of ultimate control.

The amount approved is to be absorbed by transfer from appropriations currently available to the Department of Agriculture for salaries and expenses as proposed in the budget estimate.

INDEPENDENT OFFICES

INDIAN CLAIMS COMMISSION

Salaries and expenses.—The Committee has allowed the budget estimate of \$7,700 to finance a portion of the increased pay costs authorized by the Executive Pay Act approved July 31, 1956.

SMITHSONIAN INSTITUTION

Salaries and expenses, National Gallery of Art.—The Committee has allowed \$30,000, the budget estimate, to cover the increased costs of steam and electricity and wage-board pay increases. The National Gallery of Art is meeting within available funds other increased costs totalling \$16,600 which appears to be the maximum that can be absorbed without eliminating essential services during the remainder of the current fiscal year.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF THE INTERIOR			
	BUREAU OF INDIAN AFFAIRS			
115	Resources management.....	¹ (\$133, 000)	¹ (\$133, 000)	-----
	FISH AND WILDLIFE SERVICE			
115	General administrative expenses.....	² (239, 000)	² (75, 000)	(—\$164, 000)
	ADMINISTRATION, DEPARTMENT OF THE INTERIOR			
115	Salaries and expenses.....	³ (75, 700)	³ (65, 000)	(—10, 700)
	Total, Department of the Interior.....			
	DEPARTMENT OF AGRICULTURE			
	FOREST SERVICE			
	SALARIES AND EXPENSES			
115	Control of forest pests.....	⁴ (800, 000)	⁴ (800, 000)	-----
	Total, Department of Agriculture.....			
	INDEPENDENT OFFICES			
	INDIAN CLAIMS COMMISSION			
115	Salaries and expenses.....	7, 700	7, 700	-----

See footnotes at end of table, p. 20.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

II. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
115	SMITHSONIAN INSTITUTION			
	Salaries and expenses, National Gallery of Art.....	\$30, 000	\$30, 000	-----
	Total, Independent Offices.....	37, 700	37, 700	-----
	Total, Chapter VI.....	37, 700	37, 700	-----

¹ To be derived by transfer from "Education and welfare services," Bureau of Indian Affairs.

² To be derived by transfer from "Management of resources," and "Investigations of resources," Fish and Wildlife Service.

³ To be derived by transfer from "Office of Oil and Gas," "Office of the Solicitor," and "Office of Minerals Mobilization."

⁴ To be derived by transfer from any appropriation, for fiscal year 1957, available to the Department of Agriculture for salaries and expenses (exclusive of such appropriations which include funds for grants).

CHAPTER VII

SUBCOMMITTEE

JOHN E. FOGARTY, Rhode Island, *Chairman*

HENDERSON LANHAM, Georgia
WINFIELD K. DENTON, Indiana

JOHN TABER, New York
MELVIN R. LAIRD, Wisconsin

DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

Salaries and expenses.—The bill includes authority to transfer to this appropriation \$24,000 to be derived, in equal amounts, from the current appropriations for "Salaries and expenses, Bureau of Labor Statistics" and "Salaries and expenses, Wage and Hour Division." These additional funds are necessary to pay increased salary costs under the Federal Executive Pay Act of 1956.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The Committee has noticed an increasing tendency of the Bureau of the Budget to include items in requests for supplemental appropriations that definitely and clearly belong in the regular annual budgets. The Department of Health, Education, and Welfare seems to generate far more of this type of estimate than is reasonable. Some outstanding examples are set forth in the following narrative. There is no excuse for this type of budgeting. It adds uncertainties that make program operation during the year more difficult and adds work and expense at every level of Government where these requests are prepared and acted upon. The Committee hopes that it has seen the last of this type of budgeting.

FREEDMEN'S HOSPITAL

Salaries and expenses.—The bill includes \$46,400, a reduction of \$13,800 from the amount of the request. This request was to cover three specific items. The first was \$13,800 for 23 additional nursing positions. The Congress appropriated every dollar that was requested in the regular budget for 1957. There has been no increase in patient load since the 1957 budget was presented to Congress. The Committee, therefore, disallowed this item. If there is merit in this request it certainly should have been included in the regular, annual budget for 1957.

The second item was \$20,000 for elevator repairs. A fire occurred in one elevator last November which called attention to the need for these repairs. If this were a really urgent item it is difficult to understand why it wasn't sent to Congress much earlier. Since it obviously was not considered urgent, it is equally difficult to understand why it wasn't simply included in the regular budget for fiscal year 1958. However, the need seems obvious and the Committee has no desire to

interfere with the efficiency of the hospital because of the inept handling of the budget. This item has, therefore, been allowed.

The third item was \$26,400 for a new X-ray machine. From the information submitted to the Committee it has been obvious for a long time that this machine would need replacement. The formal justifications submitted with the request stated, "During the year of 1956, over 20 service calls were required on this equipment, representing 45 hours of man labor. Amount of labor was \$350 and amount of replacement material \$900." Under orderly budgeting this item would certainly have been provided for in the regular budget rather than require everyone concerned to handle it as a special item in a supplemental. However, the Committee has also approved this item rather than endanger the employees and patients who had nothing to do with the haphazard budgeting involved.

OFFICE OF EDUCATION

Grants for State committees on education beyond the high school.—The House voted to disallow funds to continue the President's Committee on Education Beyond the High School, which were contained in the Labor-Health, Education, and Welfare bill for 1958 as it was reported by the Committee on Appropriations. To be consistent with the action of the House, the Committee has disallowed the request of \$650,000 for grants to States to carry out the overall program that the President's Committee was to head.

PUBLIC HEALTH SERVICE

Hospitals and medical care.—The bill includes \$1,184,000, a reduction of \$76,000 from the request. The request included \$796,000 for mandatory increased expenses not foreseeable when the regular budget for 1957 was sent to Congress. In addition the request included \$76,000 for additional personnel and \$388,000 for equipment and supplies.

The Chief, Division of Hospitals, told the Committee that the \$76,000 for personnel was for "Restoration of 131 positions eliminated in 1957 as a result of the occurrence of large, unbudgeted items of expense." The material submitted in justification of the request contained similar statements obviously aimed at creating the impression that no employees were to be added over the number originally budgeted for 1957. A comparison of the tables on employment submitted with the original 1957 budget and the similar table submitted with the supplemental request showed that they anticipated increasing actual employment by the end of the fiscal year to 117 more employees than anticipated in the original 1957 budget request (page 94 of the hearings). While the Committee does not doubt that the figures and statements regarding positions were correct, it is rather obvious that there was an attempt to juggle the position figures in such a way as to hide the fact that there was a planned increase in actual employment, over that originally budgeted for 1957. This portion of the request was disallowed. Since the bill will not likely receive final approval until late May or June the additional employees could not possibly be on the rolls for more than a few weeks, if at all. This is another request that certainly had no place in this supplemental request.

The Committee has allowed the \$388,000 item for equipment and supplies. From the evidence submitted by the Department and others there seems no doubt that there is a real need for these funds but why those charged with the responsibility for budgeting for these needs have failed to provide for them in regular annual budgets to the point that they must now come in with an eleventh-hour request like this, is a mystery to the Committee.

SAINT ELIZABETHS HOSPITAL

Salaries and expenses.—The bill includes \$133,000, the full amount of the request. This amount is necessary to cover mandatory cost increases that could not be foreseen and budgeted for in the regular 1957 budget.

Construction and equipment, maximum security building.—The bill includes \$673,000, the full amount of the request. The cost of this building was estimated at \$6,821,000 in 1955 and that amount was appropriated. Since that time costs have gone up and the low bids received for the building exceeded the funds available by the amount carried in the bill.

OFFICE OF THE SECRETARY

Salaries and expenses, Office of Field Administration.—The bill includes authorization to transfer an additional amount of \$68,000 from the old-age and survivors insurance trust fund for the field work of this Office. This is the full amount requested. These funds are necessary for the work of hiring and processing payrolls, travel vouchers, etc. for approximately 2,200 additional field employees for the Bureau of Old-Age and Survivors Insurance who are needed to carry out the expanded program under the Social Security Act amendments of 1956.

NATIONAL MEDIATION BOARD

Salaries and expenses.—The committee has approved a requested transfer of \$15,500 to this appropriation from the appropriation "Salaries and expenses, National Railroad Adjustment Board." These funds are necessary to pay increased salary costs under the Federal Executive Pay Act of 1956.

RAILROAD RETIREMENT BOARD

Salaries and expenses.—The bill includes an authorization to use an additional \$600,000 of funds, from the railroad retirement trust fund, for administrative expenses. This is the full amount estimated by the Board to be necessary to perform the additional work required by the 1956 amendments to the Railroad Retirement Act and the Social Security Act.

UNITED STATES SOLDIERS' HOME

Maintenance and operation.—The bill includes authorization to use an additional \$79,000 of funds from the Soldiers' Home permanent fund for maintenance and operation of the Home. This is the full amount requested to cover mandatory cost increases that could not be foreseen at the time the 1957 budget was presented.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
115	DEPARTMENT OF LABOR OFFICE OF THE SECRETARY Salaries and expenses-----	(\$24, 000)	(\$24, 000)	(-----)
115	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE FREEDMEN'S HOSPITAL Salaries and expenses-----	60, 200	46, 400	-\$13, 800
115	Grants for State committees on education beyond the high school-----	650, 000	-----	-----650, 000
115	PUBLIC HEALTH SERVICE Hospitals and medical care-----	1, 260, 000	1, 184, 000	-----76, 000
115	SAINT ELIZABETHS HOSPITAL Salaries and expenses-----	133, 000	133, 000	-----
115	Construction and equipment, maximum security building-----	673, 000	673, 000	-----

OFFICE OF THE SECRETARY				
115	Salaries and expenses, Office of Field Administration-----	(68, 000)	(68, 000)	(-----)
	Total, Department of Health, Education, and Welfare--	2, 776, 200	2, 036, 400	-739, 800
115	NATIONAL MEDIATION BOARD			
	Salaries and expenses-----	(15, 500)	(15, 500)	(-----)
115	NATIONAL RAILROAD ADJUSTMENT BOARD			
	Salaries and expenses-----	Language	Language	
115	RAILROAD RETIREMENT BOARD			
	Salaries and expenses-----	(600, 000)	(600, 000)	(-----)
115	U. S. SOLDIERS HOME			
	Maintenance and operation-----	(79, 000)	(79, 000)	(-----)
	Total, Chapter VII-----	2, 776, 200	2, 036, 400	-739, 800

CHAPTER VIII

SUBCOMMITTEE

CLARENCE CANNON, Missouri, *Chairman*

LOUIS C. RABAUT, Michigan
MICHAEL J. KIRWAN, Ohio
JOHN FOGARTY, Rhode Island
JOHN J. RILEY, South Carolina
JOE L. EVINS, Tennessee
EDWARD P. BOLAND, Massachusetts
DON MAGNUSON, Washington

BEN F. JENSEN, Iowa
H. CARL ANDERSEN, Minnesota
JOHN TABER, New York
IVOR D. FENTON, Pennsylvania
HAMER H. BUDGE, Idaho

PUBLIC WORKS

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

DEPARTMENT OF THE ARMY

Entombment of unknown Americans of World War II and Korea.—The budget request for \$269,000 is to provide funds necessary for construction of crypts at Arlington Cemetery and to cover the costs of entombment ceremonies on Memorial Day next year. It was testified at the hearings that only \$159,000 of this amount is needed for obligation in fiscal year 1957. The Committee has provided this amount and will consider the remainder of the request in connection with the regular appropriation for Cemeterial Expenses for fiscal year 1958.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or agency	Budget estimates	Recommended in bill	Bill compared with estimates
115	DEPARTMENT OF DEFENSE--CIVIL FUNCTIONS DEPARTMENT OF THE ARMY Entombment of unknown Americans of World War II and Korea-----	\$289, 000	\$159, 000	-\$110, 000

CHAPTER IX

SUBCOMMITTEE

JOHN J. ROONEY, New York, *Chairman*

PRINCE H. PRESTON, Georgia
ROBERT L. F. SIKES, Florida
DON MAGNUSON, Washington

FREDERIC R. COUDERT, JR., New York
FRANK T. BOW, Ohio
CLIFF CLEVINGER, Ohio

DEPARTMENT OF STATE

SALARIES AND EXPENSES

A supplemental request of \$2,200,000 was contained in House Document No. 115 for "Salaries and expenses," Department of State. Of this amount, \$1,000,800 was requested for the payment of salary increases authorized under Public Law 828, approved July 28, 1956; \$41,880 was requested for official residence allowances for deputy chiefs of mission authorized under Public Law 828; \$157,320 was requested for medical benefits for dependents also authorized under Public Law 828, and \$1,000,000 for evacuation costs from the scene of hostilities in the Middle East.

The Committee has included in the bill \$500,400 for the payment of salary increases authorized under Public Law 828. The Department is expected to absorb the additional cost of the salary increases. Funds for official residence allowances for deputy chiefs of mission and medical benefits for dependents have not been allowed.

The Committee has approved \$725,000, a reduction of \$275,000 in the amount requested, for expenses incurred in the evacuation of Government employees, their dependents, or other American citizens from the scene of hostilities in the Middle East. The Committee is recommending that this additional amount be included in the item "Emergencies in the diplomatic and consular services" rather than in the item "Salaries and expenses."

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

There is included in the bill the additional sum of \$4,169,409 for this item which is a reduction of \$3,294,975 in the amount of the budget estimate.

The Committee was advised that the Secretary General of the United Nations was authorized to incur expenditures on behalf of an emergency international force, U. N. E. F., for 1957 up to \$16,500,000. Of that amount, \$10,000,000 was to be met from assessments on member governments in accordance with the regular assessment scale, and the remaining \$6,500,000 was to be met by voluntary contributions. The Committee has allowed the sum of \$3,333,000 as contained in House Document No. 115 to pay for the United States assessment of 33.33 percent of the initial \$10,000,000 expenditure for U. N. E. F. to secure and supervise the cessation of hostilities in the

Middle East. Also included in House Document No. 115 was a request for \$3,250,000 as a voluntary contribution to U. N. E. F. which is 50 percent of the total to be met in that manner. The Committee has not included funds in the bill for this requested voluntary contribution. Since this is not a regular contribution item, the Committee feels that such voluntary contribution should be made from funds available to the President.

The United States' share of an advance to the Working Capital Fund of the United Nations in the amount of \$666,600, the amount requested in House Document No. 115, is included in the bill.

The remainder of the amount allowed is for an increased contribution to the joint support program of the International Civil Aviation Organization.

The funds requested to pay increased annual contributions retroactive to fiscal year 1951 to the International Bureau for the Publication of Customs Tariffs are denied.

INTERNATIONAL CONTINGENCIES

The Committee has included in the bill the sum of \$225,000, a reduction of \$225,000 in the amount of the budget estimate, for this item to provide funds to cover the costs of a number of previously unscheduled international meetings and conferences.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

Care of the building and grounds.—The bill includes an additional \$7,500 for the payment of wage-board pay increases effective December 2, 1956.

COURT OF CLAIMS

Salaries and expenses.—There is included in the bill \$34,400 additional to cover the cost of Public Law 854, approved July 31, 1956, which provided for an increase in salary from \$14,800 to \$19,000 for each of the 12 Commissioners in the Court of Claims.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

Salaries of judges.—The Committee recommends a transfer of \$300,000 from the item "Salaries of supporting personnel" to this item to provide the funds for the increased salaries of certain judges as authorized by Public Law 500, approved April 30, 1956 and Public Law 854, approved July 31, 1956, and also to provide additional funds required because of the increased number of active and retired judges. This transfer of funds is possible since the Judiciary was unable to recruit additional probation staff as early as had been anticipated and the funds therefor will not be required in the item "Salaries of supporting personnel."

Fees of jurors and commissioners.—The bill includes \$160,000 additional to pay the fees, expenses and costs of jurors for service in the Federal Courts.

Salaries of referees.—There is included in the bill the sum of \$253,000, the amount of the budget estimate, to provide the funds for the increased salaries as authorized by Public Law 518, approved May 10, 1956, and for three new positions. These funds are to be derived from the referees' salary fund.

Expenses of referees.—The bill includes the sum of \$57,000 additional, a decrease of \$22,900 in the amount requested, for expenses of referees to be derived from the referees' expense fund. These added costs are due to the unprecedented number of bankruptcy cases filed during the current fiscal year.

FUNDS APPROPRIATED TO THE PRESIDENT

PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

The sum of \$1,300,000 additional is included in the bill, expressly for construction of the United States National Pavilion at the Universal and International Exhibition of Brussels.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF STATE			
115	Salaries and expenses.....	\$2, 200, 000	\$500, 400	—\$1, 699, 600
	Emergencies in the diplomatic and consular service.....	-----	725, 000	+ 725, 000
115	Contributions to international organizations.....	7, 464, 384	4, 169, 409	—3, 294, 975
115	International contingencies.....	450, 000	225, 000	—225, 000
	Total, Department of State.....	10, 114, 384	5, 619, 809	—4, 494, 575
	THE JUDICIARY			
	SUPREME COURT OF THE UNITED STATES			
144	Care of the building and grounds.....	7, 500	7, 500	-----
	COURT OF CLAIMS			
115	Salaries and expenses.....	50, 400	34, 400	—16, 000
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES			
115	Salaries of judges.....	¹ (300, 000)	¹ (300, 000)	-----
115	Fees of jurors and commissioners.....	160, 000	160, 000	-----
115	Salaries of referees.....	(253, 000)	(253, 000)	-----
115	Expenses of referees.....	(79, 900)	(57, 000)	— (22, 900)
	Total, The Judiciary.....	217, 900	201, 900	—16, 000

To be derived by transfer.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
115	FUNDS APPROPRIATED TO THE PRESIDENT			
	President's special international program.....	\$1, 500, 000	\$1, 300, 000	--\$200, 000
	Total, Chapter IX.....	11, 832, 284	7, 121, 709	--4, 710, 575

CHAPTER X

SUBCOMMITTEE

LOUIS C. RABAUT, Michigan, *Chairman*

OTTO E. PASSMAN, Louisiana
WILLIAM H. NATCHER, Kentucky

EARL WILSON, Indiana
BENJAMIN F. JAMES, Pennsylvania

DISTRICT OF COLUMBIA

OPERATING EXPENSES

DEPARTMENT OF GENERAL ADMINISTRATION

The Committee recommends the budget estimate of \$180,000 for this Department. The request for supplemental funds is necessary because the annual allotment of \$250,000 contained in the regular 1957 Appropriation Act for the refund of erroneously paid taxes is almost depleted. As of March 12, 1957, the balance in the account was \$1,003 and the Department anticipates refunds to individuals for the balance of this fiscal year will amount to at least \$180,000.

PERSONAL SERVICES, WAGE SCALE EMPLOYEES

The Committee recommends an appropriation of \$415,000 to finance an average increase of 11 cents per hour in wages of the "blue collar" employees of the District of Columbia, retroactive to the first pay period in February. The District has sufficient funds to finance this wage increase in the current fiscal year but the Committee was concerned as to whether funds would be available for this purpose in fiscal year 1958. The Committee was assured that funds will be available, either through anticipated revenue increases or by transfer of unexpended balances of fiscal year 1957 appropriations to surplus.

The Committee has added a proviso to the budget language which would prohibit the retroactive clause being applied to the Federal Employees Group Life Insurance policies of these wage scale employees. A similar provision has been carried in previous District of Columbia and Federal employee pay acts.

CAPITAL OUTLAY

PUBLIC BUILDING CONSTRUCTION

The Committee has approved the budget estimate of \$390,000 for the Anacostia Senior High School Addition. This supplemental amount is necessary as the solicitation of construction bids in August 1956, resulted in a low bid of \$975,700, or \$121,300 more than funds available for construction. Since that time the scope of the project has been enlarged to include an athletic field and bleachers and modifications to the existing school building.

MISCELLANEOUS

The Committee recommends the appropriation of the budget estimates for each of the following items:

Settlement of claims and suits.....	\$22, 798
Judgments.....	347
Audited Claims.....	8, 062

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DISTRICT OF COLUMBIA			
	OPERATING EXPENSES			
115	Department of General Administration.....	(\$180, 000)	(\$180, 000)	-----
115	Personal services, wage-scale employees.....	(415, 000)	(415, 000)	-----
	CAPITAL OUTLAY			
115	Public building construction.....	(390, 000)	(390, 000)	-----
	MISCELLANEOUS			
115	Settlement of claims and suits.....	(22, 798)	(22, 798)	-----
115	Judgments.....	(347)	(347)	-----
115	Audited claims.....	(8, 062)	(8, 062)	-----
	Total, Chapter X.....	(1, 016, 207)	(1, 016, 207)	-----

CHAPTER XI

SUBCOMMITTEE

W. F. NORRELL, Arkansas, *Chairman*

MICHAEL J. KIRWAN, Ohio
JOHN J. ROONEY, New York

WALT HORAN, Washington
FRANK T. BOW, Ohio

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

Provision is made for additional funds for the Folding Room, though in amount somewhat less than the request. The average expenditure rate in recent months coupled with probable workload demands in the next two months indicate need for this small additional amount.

Language is also included for a small transfer to the item for salaries of official reporters of debates based on recent decision of the Comptroller General as to entitlement under the salary ceiling law.

The bill also includes a small item for salary and position adjustments of teachers in the page school made pursuant to statutory authority.

GOVERNMENT PRINTING OFFICE

The volume of congressional printing and binding pertaining to fiscal year 1956 orders placed with the Government Printing Office, some of which are still in process of completion, makes necessary an additional appropriation to reimburse the printing office revolving fund. The bill includes the estimate for that purpose.

ARCHITECT OF THE CAPITOL

The sum of \$21,000 is included for certain appropriations under expenditure supervision of the Architect to enable payment, pursuant to law, of the unabsorbable portion of wage-board pay adjustments for certain laborers and mechanics consistent with locally prevailing rates, and certain other statutory items. Necessary implementing language is also included in the bill.

Consistent with the prevailing practice for the departments generally, and pursuant to law, language is included for allowances for uniforms for six employees.

The estimate of \$17,000 for the Senate Office Building is left for determination by that body in accord with custom.

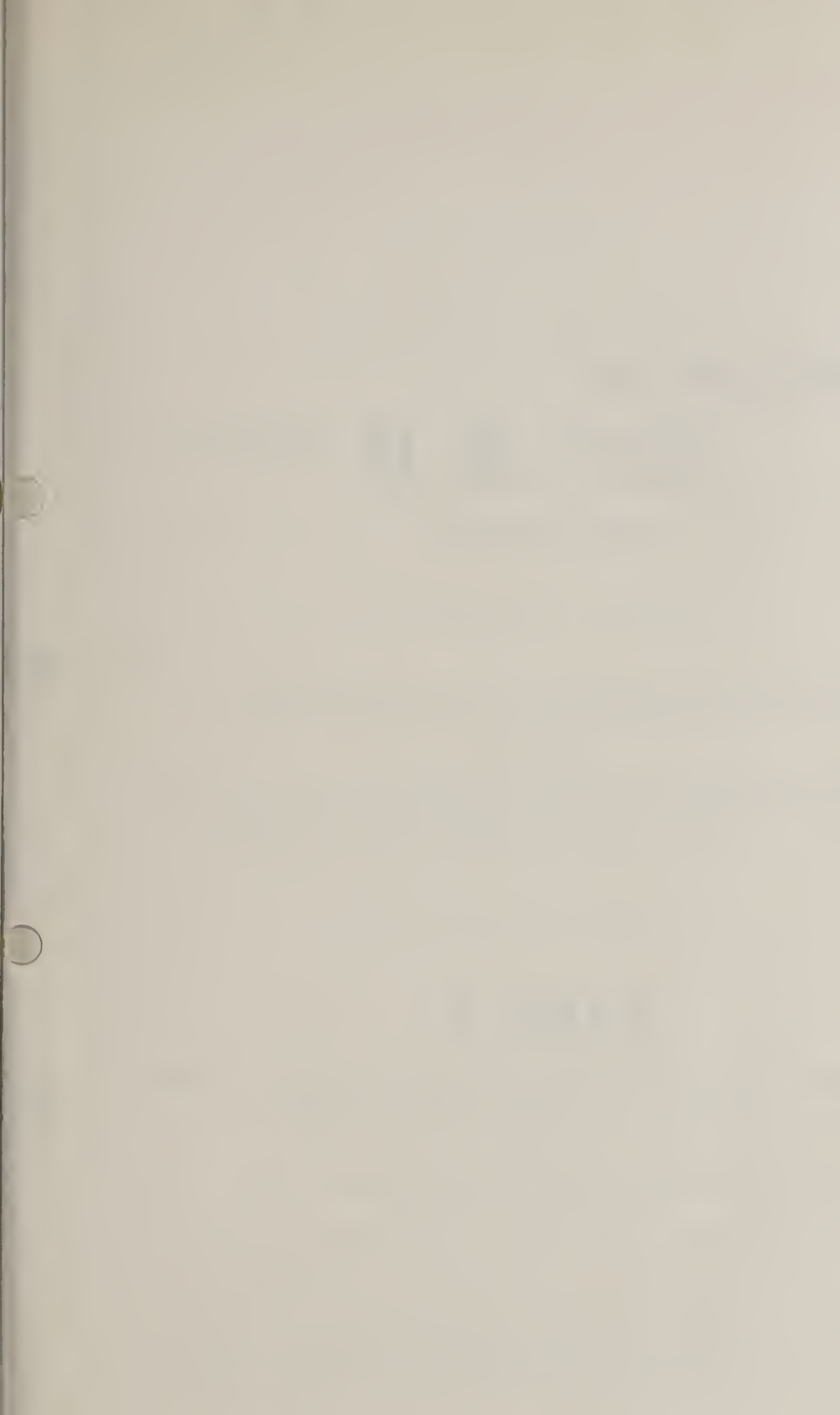
Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	LEGISLATIVE BRANCH			
	HOUSE OF REPRESENTATIVES			
	CONTINGENT EXPENSES			
115	Folding documents.....	\$20, 000	\$9, 000	-\$11, 000
	CAPITOL POLICE			
115	General expenses.....	1, 500	-----	-1, 500
	EDUCATION OF SENATE, HOUSE, AND SUPREME COURT PAGES			
115	Education of pages.....	2, 240	2, 240	-----
	GOVERNMENT PRINTING OFFICE			
115	Printing and binding, 1956.....	1, 300, 000	1, 300, 000	-----
	ARCHITECT OF THE CAPITOL			
144	Office of the Architect, salaries.....	7, 500	7, 500	-----
144	Capitol buildings.....	13, 500	13, 500	-----
	Total, Chapter XI.....	1, 344, 740	1, 332, 240	-12, 500

CHAPTER XII

CLAIMS, AUDITED CLAIMS, AND JUDGMENTS

The Committee recommends the full amount of \$2,728,739 contained in House Document Numbered 156 to cover claims for damages, audited claims, and judgments rendered against the United States. Of this amount, \$681,457 represents judgments of the Court of Claims and the United States district courts. The amount provided for claims is \$2,047,282.



Union Calendar No. 123

85TH CONGRESS
1ST SESSION

H. R. 7221

[Report No. 386]

IN THE HOUSE OF REPRESENTATIVES

MAY 3, 1957

Mr. CANNON, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations (this Act may be cited as the
6 “Third Supplemental Appropriation Act, 1957”) for the
7 fiscal year ending June 30, 1957, and for other purposes,
8 namely:

1

CHAPTER I

2

DEPARTMENT OF AGRICULTURE

3

AGRICULTURAL RESEARCH SERVICE

4

SALARIES AND EXPENSES

5

Research

6

7 The limitation under this head in the Department of
8 Agriculture and Farm Credit Administration Appropriation
9 Act, 1957, on the amount available for construction of build-

10

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

11

Penalty Mail

12

13 For penalty mail costs of agricultural experiment sta-
14 tions, under section 6 of the Hatch Act of 1887, as amended,
15 \$250,000, to be derived by transfer from the appropriation
16 to the Extension Service for "Payments to States, Hawaii,
17 Alaska, and Puerto Rico", fiscal year 1957.

17

EXTENSION SERVICE

18

FEDERAL EXTENSION SERVICE

19

Penalty Mail

20

21 For an additional amount for "Penalty mail", including
22 penalty mail for State extension directors, \$514,000, to be
23 derived by transfer from the appropriation to the Extension
24 Service for "Payments to States, Hawaii, Alaska, and Puerto
Rico", fiscal year 1957.

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for administrative expenses of the Corporation, is increased from "\$31,000,000" to "\$33,000,000".

CHAPTER II

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$55,000, to be derived by transfer from the appropriation for "Expenses", National Bureau of Standards, fiscal year 1957; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for retirement pay of commissioned officers, is increased from "\$446,000" to "\$501,000".

1 INDEPENDENT OFFICE

2 TARIFF COMMISSION

3 SALARIES AND EXPENSES

4 For an additional amount for "Salaries and expenses",
5 \$25,000.

6 CHAPTER III

7 DEPARTMENT OF DEFENSE—MILITARY

8 FUNCTIONS

9 DEPARTMENT OF THE NAVY

10 MEDICAL CARE

11 For an additional amount for "Medical care", \$10,-
12 000,000, to be derived by transfer from the appropriation
13 for "Construction of ships".

14 SERVICE-WIDE SUPPLY AND FINANCE

15 For an additional amount for "Service-wide supply and
16 finance", \$8,000,000, of which \$5,000,000 shall be derived
17 by transfer from the appropriation for "Reserve Personnel,
18 Navy" and \$3,000,000 shall be derived by transfer from
19 the appropriation for "Military personnel, Marine Corps."

20 CHAPTER IV

21 COMMISSION ON GOVERNMENT SECURITY

22 SALARIES AND EXPENSES

23 The unobligated balance of the appropriation granted
24 under this head in Chapter V of the Supplemental Appro-

1 priation Act, 1957, shall remain available until September
2 28, 1957.

3 CHAPTER V

4 INDEPENDENT OFFICES

5 CIVIL SERVICE COMMISSION

6 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES

7 AND LIGHTHOUSE SERVICE WIDOWS

8 For an additional amount for "Annuities, Panama Canal
9 construction employees and Lighthouse Service widows",
10 \$500,000.

11 GENERAL SERVICES ADMINISTRATION

12 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

13 For an additional amount for "Operating expenses, Pub-
14 lic Buildings Service", \$900,000.

15 VETERANS ADMINISTRATION

16 INPATIENT CARE

17 Notwithstanding the last proviso under this head in the
18 Independent Offices Appropriation Act, 1957, inpatient care
19 and treatment may be furnished to an average of 140,100
20 beneficiaries during the current fiscal year without any pro-
21 portionate reduction in expenditures.

22 READJUSTMENT BENEFITS

23 For an additional amount for "Readjustment benefits",
24 \$65,000,000, to remain available until expended.

1 AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED
2 VETERANS

3 To enable the Administrator to provide, or assist in
4 providing, automobiles or other conveyances for disabled
5 veterans as authorized by the Act of October 20, 1951, as
6 amended (38 U. S. C. 252a-252e), to remain available
7 until expended, \$850,000, to be derived by transfer from the
8 appropriation for "Compensation and pensions".

9 CHAPTER VI

10 DEPARTMENT OF INTERIOR

11 BUREAU OF INDIAN AFFAIRS

12 RESOURCES MANAGEMENT

13 For an additional amount for "Resources manage-
14 ment", for emergency operation and maintenance of the San
15 Carlos irrigation project on a nonreimbursable basis, \$133,-
16 000, to be derived by transfer from the appropriation for
17 "Education and welfare services", Bureau of Indian Affairs,
18 fiscal year 1957.

19 FISH AND WILDLIFE SERVICE

20 GENERAL ADMINISTRATIVE EXPENSES

21 For an additional amount for "General administrative
22 expenses", not to exceed \$75,000, to be derived by transfer
23 from the appropriations for the fiscal year 1957 for "Man-
24 agement of resources" and "Investigations of resources",
25 Fish and Wildlife Service.

1 ADMINISTRATION, DEPARTMENT OF THE INTERIOR

2 SALARIES AND EXPENSES

3 For an additional amount for "Salaries and expenses",
4 \$65,000, to be derived by transfer from the appropriations
5 for the fiscal year 1957 for "Office of Oil and Gas", "Office
6 of the Solicitor", and "Office of Minerals Mobilization".

7 DEPARTMENT OF AGRICULTURE

8 FOREST SERVICE

9 SALARIES AND EXPENSES

10 For an additional amount for "Control of forest pests",
11 \$800,000, to be derived by transfer from any appropriation,
12 for the fiscal year 1957, available to the Department of
13 Agriculture for salaries and expenses (exclusive of such
14 appropriations which include funds for grants) : *Provided*,
15 That the limitation under this head in the Department of the
16 Interior and Related Agencies Appropriation Act, 1957, on
17 the amount available for carrying out the Forest Pest Con-
18 trol Act, is increased from "\$2,386,000" to "\$3,186,000".

19 INDEPENDENT OFFICES

20 INDIAN CLAIMS COMMISSION

21 SALARIES AND EXPENSES

22 For an additional amount for "Salaries and expenses",
23 \$7,700.

1 SMITHSONIAN INSTITUTION

2 SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

3 For an additional amount for "Salaries and expenses,
4 National Gallery of Art", \$30,000.

5 CHAPTER VII

6 DEPARTMENT OF LABOR

7 OFFICE OF THE SECRETARY

8 SALARIES AND EXPENSES

9 For an additional amount for "Salaries and expenses",
10 \$24,000, to be derived by transfer in equal amounts from
11 the appropriations for the fiscal year 1957 for "Salaries
12 and expenses", Bureau of Labor Statistics, and "Salaries
13 and expenses", Wage and Hour Division.

14 DEPARTMENT OF HEALTH, EDUCATION, AND
15 WELFARE

16 FREEDMEN'S HOSPITAL

17 SALARIES AND EXPENSES

18 For an additional amount for "Salaries and expenses",
19 \$46,400.

20 PUBLIC HEALTH SERVICE

21 HOSPITALS AND MEDICAL CARE

22 For an additional amount for "Hospitals and medical
23 care", \$1,184,000, of which \$580,000 shall be available
24 only for the cost of hospitalization of dependents and retired

1 personnel under the Dependents' Medical Care Act, Public
2 Law 569, Eighty-fourth Congress.

3 SAINT ELIZABETHS HOSPITAL

4 SALARIES AND EXPENSES

5 For an additional amount for "Salaries and expenses",
6 \$133,000.

7 CONSTRUCTION AND EQUIPMENT, MAXIMUM SECURITY
8 BUILDING

9 For an additional amount for "Construction and equip-
10 ment, maximum security building", \$673,000, to remain
11 available until expended.

12 OFFICE OF THE SECRETARY

13 SALARIES AND EXPENSES, OFFICE OF FIELD

14 ADMINISTRATION

15 For an additional amount for "Salaries and expenses,
16 Office of Field Administration", \$68,000, to be transferred
17 from the Federal old-age and survivors insurance trust
18 fund.

19 NATIONAL MEDIATION BOARD

20 SALARIES AND EXPENSES

21 For additional amount for "Salaries and expenses",
22 \$15,500, to be derived by transfer from the appropriation

1 for "Salaries and expenses, National Railroad Adjustment
2 Board", fiscal year 1957.

3 NATIONAL RAILROAD ADJUSTMENT BOARD

4 SALARIES AND EXPENSES

5 The amount made available under this head for the
6 fiscal year 1957, for compensation and expenses of referees
7 is decreased from "\$175,000" to "\$159,500".

8 RAILROAD RETIREMENT BOARD

9 SALARIES AND EXPENSES

10 For an additional amount for "Salaries and expenses,
11 Railroad Retirement Board (trust fund)", \$600,000, to be
12 derived from the railroad retirement account.

13 UNITED STATES SOLDIERS' HOME

14 For an additional amount for "United States Soldiers'
15 Home", to be paid from the Soldiers' Home permanent fund,
16 \$79,000.

17 CHAPTER VIII

18 PUBLIC WORKS

19 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

20 DEPARTMENT OF THE ARMY

21 ENTOMBMENT OF UNKNOWN AMERICANS OF

22 WORLD WAR II AND KOREA

23 For expenses, not otherwise provided for, incident to
24 the selection and burial, with appropriate ceremonies, of the

1 remains of an unknown American who lost his life while
2 serving overseas in the Armed Forces of the United States
3 during World War II, as authorized by the Act of June
4 24, 1946 (60 Stat. 302), and the remains of an unknown
5 American who lost his life while serving in the Armed
6 Forces of the United States during the Korean conflict,
7 as authorized by the Act of August 3, 1956 (70 Stat. 1027) .
8 including construction of two crypts and necessary alterations
9 to the existing Tomb of the Unknown Soldier in Arlington
10 National Cemetery, \$159,000, to remain available until June
11 30, 1958.

12 CHAPTER IX

13 DEPARTMENT OF STATE

14 ADMINISTRATION OF FOREIGN AFFAIRS

15 SALARIES AND EXPENSES

16 For an additional amount for "Salaries and expenses",
17 \$500,400.

18 EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

19 For an additional amount for "Emergencies in the diplo-
20 matic and consular service", \$725,000.

21 INTERNATIONAL ORGANIZATIONS AND CONFERENCES

22 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

23 For an additional amount for "Contributions to interna-
24 tional organizations", \$4,169,409, of which \$3,333,000 shall

1 be available for payment to the United Nations as contribu-
2 tions for the United Nations Emergency Force.

3 INTERNATIONAL CONTINGENCIES

4 For an additional amount for "International contin-
5 gencies", \$225,000.

6 THE JUDICIARY

7 SUPREME COURT OF THE UNITED STATES

8 CARE OF THE BUILDING AND GROUNDS

9 For an additional amount for "Care of the building and
10 grounds", \$7,500.

11 The appropriation "Care of the building and grounds",
12 for the fiscal year 1957, shall be available for payment of
13 retroactive wage-board pay increases effective December 2,
14 1956, to those employees (commonly known as wage-board
15 employees) whose compensation is fixed and adjusted from
16 time to time in accordance with prevailing rates (5 U. S. C.
17 1082 (7)).

18 COURT OF CLAIMS

19 SALARIES AND EXPENSES

20 For an additional amount for "Salaries and expenses",
21 \$34,400.

1 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

2 JUDICIAL SERVICES

3 SALARIES OF JUDGES

4 For an additional amount for "Salaries of judges",
5 \$300,000, to be derived by transfer from the appropriation
6 for "Salaries of supporting personnel", fiscal year 1957.

7 FEES OF JURORS AND COMMISSIONERS

8 For an additional amount for "Fees of jurors and
9 commissioners", \$160,000.

10 SALARIES OF REFEREES

11 For an additional amount for "Salaries of referees",
12 \$253,000, to be derived from the referees' salary fund
13 established in pursuance of the Act of June 28, 1946, as
14 amended (11 U. S. C. 68).

15 EXPENSES OF REFEREES

16 For an additional amount for "Expenses of referees",
17 \$57,000, to be derived from the referees' expense fund
18 established in pursuance of the Act of June 28, 1946, as
19 amended (11 U. S. C. 68 (c) (4)).

1 FUNDS APPROPRIATED TO THE PRESIDENT

2 PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

3 For an additional amount for the "President's special
4 international program", for United States participation in
5 the Universal and International Exhibition of Brussels, 1958,
6 \$1,300,000, to remain available until expended.

7 CHAPTER X

8 DISTRICT OF COLUMBIA

9 (Out of District of Columbia funds)

10 OPERATING EXPENSES

11 DEPARTMENT OF GENERAL ADMINISTRATION

12 For an additional amount for "Department of General
13 Administration", \$180,000.

14 PERSONAL SERVICES, WAGE-SCALE EMPLOYEES

15 For pay increases for wage-scale employees, to be trans-
16 ferred by the Commissioners of the District of Columbia to
17 the appropriations and funds of said District for the fiscal year
18 1957 from which said employees are properly payable,
19 \$415,000, of which \$54,700 shall be payable from the high-
20 way fund, \$36,500 from the water fund, and \$20,300 from
21 the sanitary sewage works fund; said increases in compensa-
22 tion to be effective on the first day of the first pay period
23 beginning after February 1, 1957: *Provided*, That no retro-
24 active compensation or salary shall be payable in the case
25 of any individual not in the service of the municipal govern-

1 ment of the District of Columbia on the date of approval of
2 this Act, except that such retroactive compensation or salary
3 shall be paid in the case of a deceased officer or employee,
4 or of a retired officer or employee, for services rendered after
5 the effective date of the increase: *Provided further*, That for
6 the purpose of determining the amount of insurance for which
7 an individual is eligible under the Federal Employees' Group
8 Life Insurance Act of 1954, all changes in rates of com-
9 pensation or salary which result as provided herein shall be
10 held and considered to be effective as of the first day of the
11 first pay period which begins on or after the date of enact-
12 ment of this Act.

13 CAPITAL OUTLAY

14 PUBLIC BUILDING CONSTRUCTION

15 For an additional amount for "Capital outlay, public
16 building construction", to cover the increased estimated cost
17 of the Anacostia Senior High School addition, to remain
18 available until expended, \$390,000, of which \$15,000 shall
19 be available for construction services by the Director of the
20 Department of Buildings and Grounds.

21 MISCELLANEOUS

22 SETTLEMENT OF CLAIMS AND SUITS

23 For the payment of claims in excess of \$250, approved
24 by the Commissioners in accordance with the provisions of

1 the Act of February 11, 1929, as amended (45 Stat. 1160;
2 46 Stat. 500; 65 Stat. 131), \$22,798.

3 JUDGMENTS

4 For the payment of final judgments rendered against the
5 District of Columbia, as set forth in House Document Num-
6 bered 115 (Eighty-fifth Congress), \$347, together with such
7 further sums as may be necessary to pay the interest at not
8 exceeding 4 per centum per annum on such judgments, as
9 provided by law, from the date the same became due until
10 the date of payment.

11 AUDITED CLAIMS

12 For an additional amount for the payment of claims, cer-
13 tified to be due by the accounting officers of the District of
14 Columbia, under appropriations the balances of which have
15 been exhausted or credited to the general fund of the District
16 of Columbia, as provided by law (D. C. Code, title 47, sec.
17 130a), being for the service of the fiscal year 1956 and prior
18 fiscal years, as set forth in House Document Numbered 115
19 (Eighty-fifth Congress), \$8,062, together with such further
20 sums as may be necessary to pay the interest on audited
21 claims for refunds at not exceeding 4 per centum per annum
22 as provided by law (Act of July 10, 1952, 66 Stat. 546,
23 sec. 14d).

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriations Acts for the fiscal years involved.

CHAPTER XI

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

The sum of not to exceed \$45 may be transferred between the appropriations "Official Reporters of Debates" and "Contingent expenses of the House, miscellaneous items".

CONTINGENT EXPENSES OF THE HOUSE

Folding Documents

For an additional amount for "Folding documents", \$9,000.

EDUCATION OF SENATE, HOUSE, AND SUPREME COURT

PAGES

For an additional amount for "Education of Senate, House, and Supreme Court pages", \$2,240.

1 GOVERNMENT PRINTING OFFICE

2 PRINTING AND BINDING

3 For an additional amount for "Printing and binding",
4 fiscal year 1956, \$1,300,000.

5 ARCHITECT OF THE CAPITOL

6 OFFICE OF THE ARCHITECT OF THE CAPITOL

7 SALARIES

8 For an additional amount for "Salaries", \$7,500.

9 TRAVEL LIMITATION

10 The limitation on expenses for travel on official business
11 under the Architect of the Capitol contained in the Legisla-
12 tive Branch Appropriation Act, 1957, is hereby increased by
13 \$4,500.

14 PAY INCREASES, WAGE-BOARD EMPLOYEES

15 Appropriations for the fiscal year 1957 available for
16 expenditure by the Architect of the Capitol shall be available
17 for payment of retroactive wage-board pay increases ef-
18 fective December 2, 1956, to those employees (commonly
19 known as wage-board employees) whose compensation is
20 fixed and adjusted from time to time in accordance with
21 prevailing rates (5 U. S. C. 1082 (7)).

22 CAPITOL BUILDINGS AND GROUNDS

23 CAPITOL BUILDINGS

24 For an additional amount for "Capitol Buildings",
25 \$13,500.

UNIFORM ALLOWANCES

2 The appropriations for “Capitol Buildings”, “Senate
3 Office Building”, and “House Office Buildings”, for the fiscal
4 year 1957, shall be available for uniforms or allowances
5 therefor, as authorized by the Act of September 1, 1954, as
6 amended (5 U. S. C. 2131).

BOTANIC GARDEN

SALARIES AND EXPENSES

9 The appropriation for "Salaries and expenses", for the
10 fiscal year 1957, shall be available for payment of retro-
11 active wage-board pay increases effective December 2, 1956,
12 to those employees (commonly known as wage-board em-
13 ployees) whose compensation is fixed and adjusted from time
14 to time in accordance with prevailing rates (5 U. S. C.
15 1082 (7)).

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND

JUDGMENTS

19 For payment of claims for damages as settled and deter-
20 mined by departments and agencies in accord with law,
21 audited claims certified to be due by the General Accounting
22 Office, and judgments rendered against the United States by
23 United States district courts and the United States Court of
24 Claims, as set forth in House Document Numbered 156,
25 Eighty-fifth Congress, \$2,728,739, together with such

1 amounts as may be necessary to pay interest (as and when
2 specified in such judgments or in certain of the settlements
3 of the General Accounting Office or provided by law) and
4 such additional sums due to increases in rates of exchange
5 as may be necessary to pay claims in foreign currency:
6 *Provided*, That no judgment herein appropriated for shall
7 be paid until it shall have become final and conclusive
8 against the United States by failure of the parties to appeal
9 or otherwise: *Provided further*, That, unless otherwise
10 specifically required by law or by the judgment, payment of
11 interest wherever appropriated for herein shall not continue
12 for more than thirty days after the date of approval of this
13 Act.



A BILL

Making supplemental appropriations for the
fiscal year ending June 30, 1957, and for
other purposes.

By Mr. CANNON

MAY 3, 1957

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 8, 1957
For actions of May 7, 1957
85th-1st, No. 75

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HIGHLIGHTS: House passed third supplemental appropriation bill. Rep. Gathings introduced and discussed bill to repeal acreage reserve provisions of Soil Bank Act.

HOUSE

1. APPROPRIATIONS. Passed with amendment H. R. 7221, the third supplemental appropriation bill for 1957. pp. 5718-47 Rejected the following amendments:
By Rep. Coad, to reduce the amount for the Office of the Secretary of Agriculture from \$23,400 to \$16,380 (pp. 5729-30).
The provision to increase the limitation for CSC administrative expenses in administering the Employees' Life Insurance Fund from \$117,500 to \$194,000 was stricken on a point of order by Rep. Hyde (p. 5731).
(For provisions of interest to this Department, see Digest 74.)
By Rep. Boland, 97 to 127, to provide \$14 million for initiation of a Federal flood insurance program (pp. 5733-44).
2. FOREIGN AID. Rep. Philbin criticized administration of the foreign aid program and inserted a magazine article, "Our Foreign Aid Program - A Bureaucratic Nightmare." pp. 5749-51
3. PERSONNEL. Rep. Curtis stated that in accordance with "Parkinson's law" for estimating Federal employment "by the year 2069 we will all be working for the Government." p. 5752
4. BUDGET. Received a local Wisc. petition urging Congress to reduce the budget. p. 5755

5. ELECTRIFICATION. Received an Ore. Vale Grange petition favoring construction of Hells Canyon dam. p. 5755

ITEMS IN APPENDIX

6. ELECTRIFICATION. Rep. Jackson inserted an editorial urging private development of atomic energy. p. A3405
Rep. Ullman inserted an editorial criticizing the rapid tax-amortization certificate given to the Idaho Power Co. as a subsidy. p. A3421
Rep. Curtis inserted an editorial urging passage of the bill to require Congressional approval for all TVA expansion. pp. A3422-3
7. PUBLIC WORKS. Extension of remarks of Rep. Miller listing 197 public works projects overseas for which the U.S. has obligated \$355 million since 1948, and urging more generosity towards such projects in the U.S. pp. A3426-8
8. BUDGET. Rep. Yates inserted Walter Lippman's column asserting that unless the President has confidence in his own budget the country will not. pp. A3410-1
9. FOREIGN AID. Rep. Hemphill inserted an editorial opposing foreign aid and citing alleged waste. p. A3423
10. SMALL BUSINESS. Rep. Multer inserted a letter from the National Federation of Independent Business stating that the cause of business failures was a failure of the Government's enforcement of the law. p. A3433
11. LIVESTOCK. Rep. Rhodes inserted an article urging passage of humane slaughter legislation. p. A3434
12. ST. LAWRENCE SEAWAY. Extension of remarks of Rep. Bray criticizing the cost estimates submitted for the Seaway and pointing to his accurate prediction that tolls could not pay for the project. p. A3436

BILLS INTRODUCED

13. BUDGET. H.R. 7314, by Rep. Broomfield and H.R. 7321, by Rep. Gwinn, to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to Ways and Means Committee.
14. RECLAMATION. H.R. 7295, by Rep. Gubser, to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California; to Interior and Insular Affairs Committee.
15. FARM LABOR. H.R. 7305, by Rep. Smith, Miss., to amend the Fair Labor Standards Act of 1938, as amended, with respect to handling of agricultural commodities; to Education and Labor Committee.
16. IMPORTS. H.R. 7312, by Rep. Sisk, to amend section 22 of the Agricultural Adjustment Act (of 1933), as amended; to Agriculture Committee.
17. TAX. H.R. 7315, by Rep. King, to repeal the 3-cents per pound processing tax on coconut oil; to Ways and Means Committee.
18. MONOPOLIES. H.R. 7319, by Rep. Celler, to amend the Clayton and other anti-trust acts to prevent monopolistic practices; to Judiciary Committee.

of the said Pacific Customs Brokerage Co., of Detroit, Mich., against the United States on account of the erroneous classification of certain balet twine, which twine was entered by the said company at the port of Detroit, Mich., during the period beginning on May 5, 1950, and ending on February 16, 1951, and was covered by 50 consumption entries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES POMPA

The Clerk called the bill (H. R. 1612) for the relief of Frances Pompa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$500 to Frances Pompa, of 98 West Avenue, Stamford, Conn., in full settlement of all claims against the United States as reimbursement for bond posted for John (Giovanni) Pompa on December 10, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RACHEL NETHERY

The Clerk called the bill (H. R. 1648) for the relief of Rachel Nethery.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Rachel Nethery, Seattie, Wash., and her claim for compensation benefits arising out of the death of her daughter, Maud L. Nethery, who was fatally injured on March 29, 1919, while employed at the United States Navy Yard, Puget Sound, Wash., shall be acted upon under the remaining provisions of such act if she files such claim with the Bureau of Employees' Compensation, Department of Labor, within the 6-month period which commences on the date of enactment of this act. No benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HERTHA L. WOHLMUTH

The Clerk called the bill (H. R. 1758) for the relief of Mrs. Hertha L. Wohlmuth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 32 (a) (2) (D) of the Trading With the Enemy Act, Mrs. Hertha L. Wohlmuth of Munich, Bavaria, United States Zone, shall be held and considered to have been a United States citizen at all times since December 7, 1941, and any notice of claim filed under such act by the said Mrs. Hertha L. Wohlmuth within 6 months after the enactment of this act shall be deemed to be timely filed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENEDICT M. KORDUS

The Clerk called the bill (H. R. 1883) for the relief of Benedict M. Kordus.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CARL A. WILLSON

The Clerk called the bill (H. R. 2083) for the relief of Carl A. Willson.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

JOHN R. HILL

The Clerk called the bill (H. R. 3588) for the relief of John R. Hill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act, as amended, are hereby waived in favor of John R. Hill, Canton, Miss., and his claim for compensation for disability resulting from personal injuries alleged to have been sustained on February 4, 1947, while in the performance of his duty as a fire-prevention engineer, Department of the Army, Vienna, Austria, shall be considered and acted upon under the remaining provisions of such act in the same manner as if such claim had been timely filed, if such claim is filed within 90 days after the enactment of this act.

With the following committee amendment:

At the end of bill, strike out the period and insert a colon, and insert the following: "Provided, That no benefits shall accrue for any period prior to the enactment of this act except such medical expenses as may be found to be reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CORNELIA S. ROBERTS

The Clerk called the bill (H. R. 4240) for the relief of Cornelia S. Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cornelia S. Roberts, Bowie, Md., the sum of \$3,500. The payment of such sum shall be in full settlement of all claims of Cornelia S. Roberts against the United States on account of an erroneous overpayment by her with respect to her Federal income-tax liability for the year 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN A. McGRORY

The Clerk called the bill (H. R. 4538) for the relief of Martin A. McGrory.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ALBERT H. RUPPAR

The Clerk called the bill (H. R. 5062) for the relief of Albert H. Ruppar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert H. Ruppar of Washington, D. C., the sum of \$291.45. The payment of such sum shall be in full settlement of all claims of the said Albert H. Ruppar against the United States for the cost of transporting household effects from Roslyn, N. Y., to Washington, D. C., necessitated when the said Albert H. Ruppar, an employee of the Civil Aeronautics Board, was transferred from his former official station at New York, N. Y., to Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES F. WALSH

The Clerk called the bill (S. 120) for the relief of James F. Walsh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That James F. Walsh, of Washington, D. C., is hereby relieved of all liability to refund to the United States the sum of \$6,472.35. Such sum represents compensation received by him as an employee of the Air Materiel Command at Wright-Patterson Air Force Base, Ohio, during the period beginning October 11, 1954, and ending October 1, 1955, in violation of the dual office restriction contained in the Act of July 31, 1894, as amended (5 U. S. C. 62). In the audit and settlement of the account of any certifying or disbursing officers of the United States, full credit shall be given for the amount for which liability is relieved by this act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said James F. Walsh, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 307) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Felix E. Dayrit, Ciro Motti, Shee-go Chin, Isaias Antoine Elias Khoury, Mary (Marie) Khoury, Maria Arocha y Delgado de Sande, and Mrs. Nur Sami de Wejbe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Jesus Marie Ambriz and Mrs. Norberta Cueto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 3. For the purposes of the Immigration and Nationality Act, Irmgard Glancy, Renee M. Silver, Hildegard Elfriede Herpel, Maria G. Connolly, Ursula Gertrud Ilse Vest, and Louisa Der Hacobian Bost shall be held and considered to have been lawfully ad-

mitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees, and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That, except in the case of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 4. For the purposes of the Immigration and Nationality Act, Nemesio Ramirez Moran shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. Upon the granting of permanent residence to such alien as provided for in this section of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SEC. 5. For the purposes of the Immigration and Nationality Act, Miguel Angel Guzman Nunez, Maria Sofia Wejbe, and Eleni Anastasiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 6. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Jose Jesus Chacon-Raya (also known as Joe Chacon), Chow Liang Ting-Wei, Maria Crocitto, and Salvatore Inga. From and after the date of the enactment of this act, the said persons shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendments:

On page 2, line 7, strike out the name "Noberta" and substitute in lieu thereof the name "Norberta."

On page 3, line 13, after the word "That", insert the following: "unless he is eligible for benefits under Public Law 2 of the Seventy-third Congress and Public Law 10 of the Seventy-eighth Congress."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMDR. HUGH BARR MILLER, UNITED STATES NAVY

The Clerk called the bill (S. 194) to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 6248 of title 16 of the United States Code, which establishes limitations of time for certain naval awards, a Medal of Honor may be awarded, at any time not later than 1 year subsequent to the date of enactment of this act, to Lt. (now commander) Hugh Barr Miller, Jr., United States Navy, for conspicuous gallantry and intrepidity in combat with the enemy at the risk of his life, above and beyond the call of duty, during World War II.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Andresen,	Fallon	Scott, Pa.
August H.	Flood	Shelley
Bass, Tenn.	Fogarty	Sieminski
Beamer	Hébert	Smith, Wis.
Boggs	Hillings	Taylor
Bowler	Holtzman	Tewes
Buckley	Kearney	Thompson, La.
Byrnes, Wis.	Laird	Van Pelt
Chipperfield	McIntosh	Vursell
Dawson, Ill.	Meador	Walter
Doyle	Minshall	Withrow
Durham	O'Konski	Zablocki
Eberharter	Powell	
Edmondson	Rodino	

The SPEAKER. Three hundred and sixty-eight Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

Pending that I ask unanimous consent that general debate be limited to 4 hours, one-half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, I wonder if we could not get along on a little less time for general debate.

Mr. CANNON. Mr. Speaker, in view of the request by the gentleman from New York [Mr. TABER], I ask unanimous consent that debate be limited to 3½ hours, one-half the time to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection? There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7221, the Third Supplemental Appropriations Act, 1957, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri [Mr. CANNON] will be recognized for one-half the time, and the gentleman from New York [Mr. TABER] will be recognized for one-half the time.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, we submit for the consideration of the House the third supplemental bill for the fiscal year 1957.

Mr. Chairman, I seldom bring an appropriation bill to the floor these days without recalling, perforce, the parson who in announcing his text one Sunday morning said, "I shall choose as my text today the 6th verse of the 24th chapter of that Good Book, Melchizedek."

Then, as if in afterthought, he raised his hand and asked, "How many here have read the rest of that chapter?"

Most of his parishoners had read the Bible pretty thoroughly, so almost without thinking they raised their hands. "Ah," he said, "you are the very people I want to talk to. I shall talk this morning about liars. There is no book of Melchizedek in the Bible."

There are many here who on numerous and sundry occasions, and especially immediately preceding a certain day last November, pledged themselves to vote on all occasions for economy. With some of them in mind, I choose as my text this morning the 6th verse of the 24th chapter of that Good Book Melchizedek."

While this is a supplemental bill, Mr. Chairman, it differs from the last deficiency bill we considered here in the House in that the deficiency bill carried an item of \$41 million in contravention of the antideficiency law.

I am glad to say that in this bill, the third supplemental bill, there is no item in contravention of the antideficiency law; they are supplementals or regular deficiencies incurred, within the framework of the law in the routine administration of the government.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Missouri has been speaking of deficiency and supplemental appropriation bills. Will the gentleman tell me the difference between a supplemental appropriation bill and a deficiency appropriation bill?

Mr. CANNON. As the gentleman is doubtless aware, it is, in common usage, largely a distinction without a difference; however, generally speaking, a deficiency is one in which in the admin-

istration of the law the amount provided has, unavoidably and within the exceptions permitted, been insufficient to provide for the activities which the department was instructed to perform, resulting in spending at a rate requiring additional funds for the year. A supplemental is not necessarily a deficiency in that respect but is brought in for various reasons, such as new programs, increased work, and the like. A literal deficiency occurs whenever the amount appropriated has actually been over-obligated or overexpended.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Are there any new items in this bill for the starting of new programs?

Mr. CANNON. Certainly. But nothing in contravention of the antideficiency law.

And I am glad to report, Mr. Chairman, and I will include a tabulation in the CONGRESSIONAL RECORD, to that effect showing that up to this time we have

disposed of 8 of the regular bills for the fiscal year 1958, covering about 23 percent of the budget estimates to be considered; that there yet remains some 77 percent undisposed of.

In those 1958 bills, which the House has passed, we have made an average saving of 7.6 percent of the budget estimates they covered. Out of budget estimates aggregating \$14,968,542,403, we have saved, we have cut the budget, we have reduced the estimates \$1,141,175,749.

I might say in passing that there is a wide difference in the amount we have cut from the several bills.

The lowest saving was made on the Treasury-Post Office bill which we cut 2 percent. We cut the Department of Commerce bill an aggregate of 25 percent. As between those two extremes, the smallest at 2 percent and the highest at 25 percent, we cut an average of 7.6 percent. If we can maintain that rate of saving in the bills yet to be processed, we can save enough money to bring in a tax bill this session of the Congress.

The tabulation follows:

Summary of House action on fiscal 1958 appropriation budget estimates, 85th Cong., 1st sess.

Appropriation bill	Estimates	Cumulative estimates	Bill reduction	Cumulative reduction	Percent reduction	
					Bill	Cumulative
Treasury-Post Office.....	\$3,965,291,000		\$80,364,000		2.0	
Interior.....	515,189,700	\$4,480,480,700	60,794,000	\$141,158,000	11.8	3.2
General Government matters.....	20,921,870	4,501,402,570	4,900,500	146,058,500	23.4	3.2
Independent offices.....	5,923,195,000	10,424,597,570	537,993,300	684,051,800	9.0	6.5
Labor, HEW.....	2,981,277,581	13,405,875,151	134,446,000	818,497,800	4.5	6.1
District of Columbia (Federal payments only).....	25,504,450	13,431,379,601	3,000,000	821,497,800	11.7	6.1
Commerce.....	871,513,000	14,302,892,601	217,827,940	1,039,325,740	25.0	7.2
State-Justice-Judiciary.....	665,649,802	14,968,542,403	101,850,009	1,141,175,749	15.3	7.6

Mr. MASON. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I am glad to yield to the gentleman from Illinois.

Mr. MASON. The gentleman says we will save enough for a tax cut. Why not specify the amount? If we continue to save as we have it will make between five and one-half and six billion dollars.

Mr. CANNON. The gentleman is eminently correct and I am glad to have his suggestion. He speaks always with authority, with wisdom and good statesmanship—and especially whenever he corroborates what I am saying.

There is continued interest throughout the country in the 1958 budget. Some say the Congress is losing control of expenditures. Some say Congress has relinquished control of the purse strings of the Nation. And there are those in our constituencies who are beginning to insist that we retrench expenditure enough to reduce taxes.

I want to read just one letter received in this morning's mail.

DEAR SIR—

He does not say "Dear friend."

DEAR SIR: I see from the papers that you and your committee are stalling on cutting the budget. What in the hell is the matter with you fellows? Are you afraid of the lobbyists, of the bureaucrats? Are you afraid of the Pentagon and pressure groups?

You have an exceptionally clear mandate from the people.

Token cuts do not mean a damned thing. You have got to cut \$6.5 billion at least. The * * * income tax has got to come down and come down now.

That is a fairly typical letter. It expresses in rather forceful language the trend of sentiment back home.

Mr. Chairman, it is high time for us to start on the back trail, and I trust the committee will have your approval and cooperation and support in cutting at least 7.6 percent from the rest of this budget, if not more.

Mr. TABER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill has a total involved of \$79,840,785 plus \$2,787,400, which is included in an agricultural item where the budget estimate was for \$28 million plus, and another item for a little over \$1 million for the District of Columbia.

The controversial features of the bill do not appear in the report except in the references on page 13 where it refers to the Flood Indemnity Administration. We carried something like \$500,000—I have forgotten exactly—for a Flood Indemnity Insurance Administration to study the matter and work out a plan for handling that sort of thing. The folks who have charge of it have not come in with a very clear sort of a plan that could be made operative. The cost of this flood insurance would be in

the neighborhood of \$1 a hundred. That means \$10 a thousand. You know that in any kind of a good risk, fire insurance runs something like 70 cents a thousand. That means that the insurance would be \$100 on a \$10,000 house, which is the limit. But it could run into very big figures on business properties. For instance, if anybody carried \$250,000 flood insurance on a business property or a business operation, the premium would be \$2,500.

The law provides that if this operation gets started the Federal Government will pay 40 percent of the insurance premium. That 40 percent, as I understand it, will go to the brokers and the insurance companies who manage the distribution of the insurance. I do not know exactly how that sort of thing would work out, but the Federal Government would pay all losses. I have gotten that far; I understand it to that extent. If we had accepted the \$50 million figure, the program could have been placed in full operation. Just exactly how it would work out, I do not know. But I do know that it is a tremendously involved and a tremendously dangerous thing for the Federal Government to get into.

I am not unsympathetic toward the people who have suffered from flood damage, but I do not see how this could possibly work out. I do not see how there could be enough people in marginal territory, where they very seldom have anything of that kind, to make it an attractive proposition in the slightest degree.

That was one of the main items that was refused. There was one item in the military bill that I understand the committee originally expected to be able to find the \$30 million requested for military pay out of the new bill. But the delay in the consideration of that bill, because of the protracted hearings, has made it necessary for the committee to come in and ask to have that item included. There was a budget estimate, but the committee did not consider it because they thought they could take care of it in the regular annual bill.

We have made a great number of savings in the bill as we have gone along. I do not believe there are any very substantial items that will have to be increased. I do not mean by that that they will not be increased in the other body, but I hope not. On the other hand, in the items we are going to consider from now on we are going to have enormous numbers of items in the military, in the foreign-relief picture, in the situation relating to rivers and harbors and flood control, in military construction, and in some of the agricultural items in the bills to come where those items will not be effective to draw money out of the Treasury until the following fiscal year after fiscal 1957. None of the bills we have had so far, probably with the exception of maybe \$150 million, maybe less than that, will be items that will be disbursed during other than the fiscal year; in other words, the bills we have so far considered are the bills where the money goes right out in that fiscal year for which they are appropriated.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. MASON. Would the gentleman say that if the House continues at its present rate on its economy drive the economy drive is won as far as the House is concerned, and it will be won or lost in the other body?

Mr. TABER. I would say that the House has made quite satisfactory reductions in the bills that have so far gone out, with a few exceptions.

Mr. MASON. That is right.

Mr. TABER. There were several items here where the reductions did not hold that were made in the Committee of the Whole, where the Members had a chance to hear what the thing was all about. But we are approaching a situation where as to most of the bills that will come in 60 to 70 percent of the items will not be paid out of the Treasury until the following year and maybe in some cases the three following years, especially in the military, where the contracts have to run a considerable period. This means that we will not have the Treasury in shape where we could think about a tax reduction at this time.

We are now up against this situation: I have not seen the figures for the last 2 or 3 or 4 days, but we are not in as good a position toward balancing the budget today as we were a year ago at this time. Total receipts so far are \$62,600,000,000 as against \$58,600,000,000 a year ago, or \$4 billion better. But there are total withdrawals, and this is to the 2d of May, of \$65 billion as against \$59 billion a year ago. That means that we are, just as I said, approximately \$2 billion worse off than we were a year ago.

Mr. MASON. That is as a cash position.

Mr. TABER. Our cash position is that much worse off than it was a year ago, and that means we are further away from a balanced budget.

Mr. MASON. Would the gentleman yield for another question?

Mr. TABER. I yield.

Mr. MASON. Would you say I have been wrong for the past 6 weeks in predicting that the economy drive is won in the House, but that everybody in the Nation should turn their guns—their economy guns—on the other body if they want the other body to hold the line that we have established?

Mr. TABER. Well, I do not know about that.

Mr. MASON. That is what I have been doing, whether I have been wrong or not.

Mr. TABER. I would not say the gentleman has been wrong because most of the regular bills outside of those 3 or 4 that I have mentioned are in the other body and that is where they are operating on the cuts that we have made. I do not think we have made very many cuts that would not bear full and complete analysis. I do not believe we should accept too many increases from the other body.

Mr. MASON. Oh, I will agree there, but I have heard that our cuts have been fatuous and one of the Members of the

other body, a very distinguished Member, told me personally he thought many of our cuts were irrational. And so from that—

Mr. TABER. I have not seen any cuts that could be so described. We have failed on some cuts where rationalization would have approved those cuts and where the factual situation would have approved the cuts. But, you have to expect differences of opinion—deep differences of opinion on such things as that before we get to the point where they really understand. I would not think we could ever expect these cuts could help us too much in achieving a balanced budget and in the direction of a tax reduction—even into the middle of next year. Perhaps, after the middle of the fiscal year 1958, we will be able to see better light. But, if the tendency is going to be that we steadily maintain a position of a couple of billion dollars worse off than we were a year ago when we had a balanced budget, it is going to be very difficult to talk about tax reduction with that kind of picture staring us in the face. I do not mean that I would not enjoy a tax reduction myself. I do not know whether there is anybody in the Chamber who would not. But, we cannot go as far as to have tax reduction unless we are in a position to still have a balanced budget. That is something that we must keep in mind.

I do not think that there is anything more I care to say at the moment. I may have something to say later on when amendments are offered, and at that time I will take the floor if I have an opportunity.

(Mr. TABER asked and was granted permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from New York [Mr. TABER] has consumed 19 minutes.

The gentleman from Missouri [Mr. CANNON] consumed 14 minutes in his remarks.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

(Mr. BOLAND asked and was granted permission to revise and extend his remarks.)

Mr. BOLAND. Mr. Chairman, I take this time to inform the House that when we reach that section of the bill, on page 5, Independent Offices, I intend to offer an amendment which will insert \$14 million for the Federal Flood Indemnity Administration. We are not now arguing the question as to whether the Federal Government should go into the business of providing insurance against floods. That was settled last July overwhelmingly in this House and in the other body. Bills were filed in this body and in the other body as a result of the devastating floods of August 1955. Hearings were held all over the Nation after the floods of 1955 to get an expression of public opinion on whether or not the Federal Government should go into the flood insurance business. Committees recommended to this Congress that the Federal Government should go into this field. As a result, bills were passed in both Houses.

In the second supplemental appropriations bill for 1957, this Congress appropriated \$500,000 to the Housing and Home Finance Administration, specifically to its constituent agency, the Federal Flood Indemnity Administration, to make a study of the problem and to come up at this session of the Congress with its program and plan. So, the head of the Federal Flood Indemnity Administration, in conjunction with some 10 or 12 employees, has been sitting in with the private insurance industry to come up with a feasible plan for Federal flood insurance, and this is the plan that he recommends to the Congress. The Housing and Home Finance Administrator requested the Bureau of the Budget for a sum of \$50 million to run the program for fiscal 1958. It is my intention to reduce that item to \$14 million. This \$14 million is for the express purpose of providing the operating expenses to the private insurance companies that will write the contracts, will sell the insurance, and adjust the losses.

As I said a moment ago, it is not a question of whether or not we want Federal flood insurance. That has been resolved. The people have decided we ought to have it. The Congress overwhelmingly decided we ought to have it. Because of that fact, and since we established the program itself almost a year ago, it would seem to me we have an obligation here and now to provide the money to implement that program. What the Federal Flood Indemnity Administrator has asked, \$14 million, is all that will be necessary to sustain the program for fiscal year 1958. When they reach that part of the bill I hope this House will join me in supporting the \$14 million request.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. CANFIELD. As I recall, last year when this bill was passed by the House it received a two-thirds vote. It had been recommended by the President of the United States and it was supported on this floor by the leadership on both sides of the aisle.

Mr. BOLAND. The gentleman is correct. This bill was recommended by the President of the United States, and many bills were filed in the Senate and in the House. Those were the bills that ultimately were written into law.

Mr. CANFIELD. In all fairness it had been previously recommended by President Truman in 1951 and 1952.

Mr. BOLAND. Yes; Federal flood insurance is not a new problem as far as Congress is concerned; it has been under study for a great length of time. I believe there was some reference to its being a monstrosity and that if we studied it a little longer they would come up with a better program. But the Federal Flood Indemnity Administrator has said he requires no additional time to make further study of this subject, that this is the best program he can bring to the Congress at this time.

This is the best program he can come up with at this time. Any time a better plan is devised we can adopt it.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BONNER. I want to associate myself with the position taken by the distinguished gentleman from Massachusetts on this matter of flood insurance. This whole country is interested in it, for all parts of the Nation have experienced disasters. People have endeavored to buy this type of insurance.

It is an experiment; it is admitted that we do not know just what the outcome will be, but unless we continue this step and make an effort to give at least partial security from flood damage to the citizens of America we will have to continue to carry on the disaster relief programs, and they will amount to more in dollars than any probable deficit that may result from this program. This program gives an opportunity to the American citizen to join in paying for the disaster programs across the country so as to give security to people in every segment of the country.

I hope when the gentleman's amendment is offered that there will not be strong opposition to it. We realize that there is some opposition; and I appreciate the position that the Committee on Appropriations has taken with regard to it, but, on the other hand, it must be understood that the legislative committee spent months and months on this study and had hundreds of witnesses before it. Members of the House appeared before the legislative committee. I spent an hour before the committee. I introduced a bill on the subject, which was extensively considered by the Banking and Currency Committee.

Out of all the bills that the House offered to the Banking and Currency Committee they came up with a bill that this House overwhelmingly passed. So the House has expressed itself, as the gentleman from Massachusetts says, with respect to this insurance, that not being able to get it from private industry the Federal Government should go into this field and experiment with it and find out once, last, and for always, whether it is feasible, and if it is feasible and practicable, then turn it back to private business.

I congratulate the gentleman.

Mr. BOLAND. I appreciate the gentleman's interest and kind remarks.

Mr. BONNER. The gentleman will get much support from the membership of this House and throughout the length and breadth of this country, I believe.

Mr. BOLAND. The gentleman is absolutely right in his observations. As a matter of fact this legislation is not permanent, for the authorizing legislation provided that the Federal Flood Indemnity Administrator must come back to Congress in 1961 with recommendations as to whether we should continue the program, as to whether it is feasible and practicable. If it is not feasible and practicable that is one thing, but if it is found to be so, then it might well be that private insurance companies will get into the field. It is one, as the gentleman from North Carolina had indicated, that private insurance companies have pulled away from because of the very great potential for tremendous losses in great disasters. But experience may prove that if properly handled it will be

practicable and private industry may well want to assume the burden that we think it ought to assume; but until it can I think there is a responsibility on the part of the Congress to assume this burden and continue this program as laid out in the authorizing legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I congratulate the gentleman on his announcement that he will offer an amendment. Can the gentleman advise us as to why the figure of \$14 million was chosen rather than the full amount?

Mr. BOLAND. The figure of \$14 million instead of the full amount of \$50 million was chosen because that is all that is necessary to get the program started. The administration asked for \$50 million. This \$14 million will be used to reimburse private insurance companies that will write the insurance, that will enter into the contracts with those who want the insurance, that will take care of the problems of adjustments and losses and that will actually run the program, with the exception of the Federal administration of the program, which will be handled by the Federal Flood Indemnity Administration. The other \$36 million is for that part of the Federal subsidy which would be paid by the Federal Government into this program. That \$36 million would be set up in a reserve insurance disaster fund.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOLAND. Mr. Chairman, that \$36 million will be set up in a reserve to pay losses, but under the authorizing act the Federal Flood Indemnity Administration has the borrowing authority to go to the Treasury and borrow \$500 million to pay for any losses. So it is possible to get the program started without the 40 percent Federal subsidy being put into a reserve to pay for losses. That is the reason why we do not need the \$36 million at this time.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New Jersey.

Mr. CANFIELD. It is not the function of the House Committee on Appropriations to say that a bill enacted into law last year, approved by this body by a two-thirds vote, shall be null and void because we will not give this agency any money.

Mr. BOLAND. I think the gentleman makes a good point except, as was pointed out in the full committee, there is money left over and, actually, the program would not be killed. It would be extended to study a little bit longer to see if we can come up with a better program. I appreciate the sentiments of the Independent Offices Subcommittee. Seldom do I disagree with its chairman, our distinguished colleague from Texas, who is one of the very best and one of the greatest Members of this House, one of the best informed and I would say he is one who has very per-

suasive ability either on the floor or in the committee and with the Members of the Congress and agencies that come before the committee as any Member in the Congress. I do not like to disagree with him here. He establishes his point in the fact he thinks they, can come up with a better program and well they might, but, as a matter of fact, the administration says this is the best they can offer at this time.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to associate myself with the gentleman from Massachusetts [Mr. BOLAND] and also with the remarks made by the gentleman from North Carolina [Mr. BONNER], chairman of the Committee on Merchant Marine and Fisheries. It would be a grave mistake, in my opinion, if we adopted the position taken by the majority of the full Committee on Appropriations. We must also bear in mind that people all over the country are intensely interested in this program. Nobody knows when floods are going to happen again or in what part of the country, or when a hurricane will hit any part of our country. Furthermore, for many years, we have been experimenting in farm legislation. The fact that this was more or less of an experimentation did not deter us from passing legislation to try to meet the problems of the agricultural life of America. It seems to me it would be a great mistake if we sent a message to the country that we were going to for all practical purposes default in this great program which is of such vital interest to all sections of the country.

Mr. BOLAND. Is it not true that the Federal Government has picked up the tab of persons who have suffered from these losses without their paying any of the cost at all?

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from North Carolina.

Mr. BONNER. The distinguished majority leader from Massachusetts, whom we all respect, and that is true of Members on both sides of the aisle, has made reference to experimentation in the farm program. Let me say to those from the cities that this House has made experimentations in the housing program and they have proven to be very successful. This Congress went into the field of housing that private industry would not enter. All Members from the cities and all Members from the rural areas have supported the housing program. It has proved successful. So, therefore, it cannot be said in advance that this flood insurance program could be any more subject to failure than the other programs that we have experimented with and have been successful with.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further?

Mr. BOLAND. I yield.

Mr. McCORMACK. I thoroughly agree with my friend Mr. BONNER. I picked out agriculture as an illustration,

and that is dynamic democracy, to experiment.

Mr. BONNER. And the housing program is also dynamic democracy.

Mr. McCORMACK. Certainly.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield further?

Mr. BOLAND. I yield.

Mr. CANFIELD. It is my understanding that if the gentleman's amendment prevails, policies can be issued within 30 days by the Government agency.

Mr. BOLAND. The gentleman is correct. As a matter of fact, the administration is now entering into contracts with private insurance companies in anticipation of the program being implemented by this Congress. In the final analysis, the program is going to be run by private insurance companies, with the exception, as I say, of administrative costs to the Government.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, it is not an easy task to disagree with so many Members of the House on a piece of legislation. But, as a member of the Independent Offices Committee, after hearing the testimony from the Housing and Home Finance Administration in favor of this appropriation which they sought of \$50 million, we decided by a majority of the committee that it was best not to approve that amount but to allow the housing organization, Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner for Flood Indemnity Insurance, through continued study, to see if they could not bring up a plan that would be more universally patronized from the standpoint of the patrons' cost of the insurance and that would not threaten the Government with such a tremendous loss as might happen if we put the show on the road, so to speak, at this time, with the result that we did not approve this \$50 million requested.

Now, I would like to say that it is true that Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner, and others in that organization came before our committee and told us that they contacted a great many hundred insurance organizations as a matter of planning and study and policy and that they felt that this was about the best they could do, at least up to the present time.

Now, my opposition to this does not stem in any way nor are my remarks to be a criticism in any way of the Federal Housing and Home Finance organization that would administer this legislation. On the contrary, I do not know where it could be placed in better hands. I think Mr. Cole, the Administrator, and Mr. Meistrell and his associates have proven themselves to be capable administrators. I think there is no question about the competency of the commissioner that is appointed from that organization to do the very best he can, but we are almost a year removed from late in one afternoon that we passed this bill, this flood-insurance bill. You will recall that there were a number of hurricanes, named after feminine names, in this country that had struck here and there

throughout the Nation. They had brought a considerable amount of hysteria to the people of the Nation and sometimes I think that the Congress, as robust and forthright as it is, is affected by that hysteria. Maybe we catch a little of it ourselves.

So today I think we should take another look at this matter, in a calmer mood than when the bill was passed, with only a short debate, without a rollcall, in the other session of the Congress.

There has been something said about the \$14 million they would like to put back into the bill. That \$14 million will be used to pay the private insurance companies of the Nation to write this insurance, to put it on their books. With all of the study of rates that they have done in their conferences with the private insurance people they came up with what they thought would be a rate of about \$3 per hundred. The fact is the estimates range from \$1.50 to \$12 and \$13.50 a hundred. In fact, nobody knows what those rates should be. The other \$36 million would be paid out for the premiums on the policies that people will take out to the extent of 40 percent of each policy. That is, 40 percent of the cost would be paid by the Federal Government. That would take some \$36 million.

We felt that the premium costs would be almost prohibitive to those who would be interested in this kind of insurance even with the Government participating in the payment of the premium to the extent of 40 percent. Consequently we recommended that they take the \$325,000 that was left, take another look at the problem, hold some more conferences, and see if they can come up with a plan that would receive the acceptance and the participation of the people and at the same time would not provide such a great threat to the Government going into the insurance business.

Most of the people in this Nation today are contacting the Congress about the budget. It may be said at the outset that if they are successful in writing \$3 billion worth of insurance the first year, and the Government would be paying 40 percent of it, as I recall the testimony before our committee by representatives of the Housing and Home Finance Administration, that testimony indicated and in fact said there would be a loss of about \$50 million. Now we propose to put the Government directly into the insurance business in a field to which the best insurance brains of this Nation have given thought for possibly over a century and decided because of the type of the insurance that they could not afford to take the risk.

I think everyone in this House has had some experience with insurance and I know they will agree with me when I say that here we propose to write insurance for policyholders only who are vulnerable to flood disasters or losses; and successful insurance companies, who have done such a great job for this country throughout the past century, have always been careful to select their risks. In other words, they would not take an abundance of bad risks. First, they try

to write the best risks that they can get. They felt their way along because they knew and we knew that unless an insurance company scatters its risks so widely that it gets more premiums than it has to pay out in losses, the company will go broke. That will do the officers of the company no good and the people they insure no good.

We have faith that if given more time the Housing Administration can, and will, improve it in the field of policy and programing.

Mr. Frank J. Meistrell, who has been delegated by Administrator Cole, as the Federal Flood Indemnity Commissioner, has had considerable experience as an insurance lawyer and in his work thus far is to be highly commended.

I believe it is well at this time, almost a year removed from the emotional atmosphere that pervaded sections of the country and the Congress as well, that the Congress now, in this calmer atmosphere, take another look at what we did less than a year ago, and consider the financial magnitude of this program.

We are now called upon to put the Government into the insurance business to the extent of from \$3 billion to \$5 billion, and maybe many billions more, at a time when many people say the Government is already too big, and are urging that the Government get out of business.

Most of the people of this Nation today are urging the Congress to adopt the Hoover reports, which, from beginning to end, urge the Congress to get the Government out of competition with private business, because private enterprise can nearly always do the job better and at less cost than can the Federal Government.

And this seems important to me: We are asking the Government to put up from \$3 billion to \$5 billion, or more, to be used in paying 40 percent of the premiums that will be charged and paying all the insurance losses that may be sustained; and, in addition, paying on insurance largely written on property in valleys and along the rivers and streams of this country, which are subject to property and business damage by floods. It is true, no insurance companies will handle this type of business because the risks are too great.

All insurance companies, and nearly every businessman knows that any insurance company that makes a success and is able to pay off its risks must spread its business coverage very wide and be so conscious about the risks it writes that they will collect a total of premiums much greater than their total losses. They want the best risks, and they refuse to take the bad ones. That is why they are successful.

Yet, this bill puts the Government into the insurance business in a way that it knows the Government cannot win, and is bound to lose. The only risks and the only business the Government can get is by agreeing in advance to pay 40 percent of the premium, and all of the losses, if necessary. The reason is that the only property we can cover is along the rivers and streams and in the valleys for businessmen, farmers, and laborers who live in these areas that are often flooded.

The man living on the hilltop and away from those along the rivers and in the valleys has no use for this insurance, and consequently the Government can write no safe business but can only write the business that no insurance company will have.

The Government will even write insurance on property along the lakes and along the ocean shores, and is directed to do so under this bill, and at times tidal waves do great destruction, especially when they are boosted along by the hurricanes, such as struck along the Atlantic coast last year.

Now, let me read from testimony before our committee by Mr. Frank J. Meistrell, the Federal Flood Indemnity Commissioner:

An appropriation of \$50 million, to remain available until expended, is requested at this time for subsidy contributions authorized by statute under the direct insurance program, and for operating expenses under contract with private insurance organizations.

PROGRAM SUMMARY

Here is testimony from Mr. Meistrell, the Commissioner of Federal Flood Indemnity, and I quote:

Flood indemnity is a new and experimental undertaking by the Federal Government. Insurance of this type has never heretofore been generally available through any public or private agency. This fact, together with an almost complete lack of credible data on exposure to flood damage, essential to rate-making, has made program planning an extremely difficult and lengthy task.

The Flood Insurance Act of 1956 provides the basic legislative authority for indemnity protection. The act authorizes three programs designed to protect and aid potential flood victims, especially homeowners and small business.

The core of this program is direct Government insurance by which Federal Indemnity Administration protects up to prescribed amounts any person or corporation, including State and local governments, and their agencies, against property losses caused by flood, when such protection is not otherwise available on reasonable terms from any public or private sources.

The term "flood" includes any flood, tidal wave, wave wash, or other abnormally high tidal water, deluge, or the water component of any hurricane or other severe storm, or landslide due to excess moisture.

The testimony then follows:

The Federal Government assumes all the financial risk. However, the contracts will be sold and serviced by the private insurance industry. The Federal Flood Indemnity Administration is authorized to underwrite a total of \$3 billion of insurance, which amount can be increased by an additional \$2 billion with the approval of the President.

Continuing:

The act limits indemnity coverage to \$250,000 per person, or corporation, and \$10,000 on dwellings and their contents. Both real and personal property can be covered, subject to deductibles of not less than \$100 plus 5 percent of the remainder of the loss.

Now, let us analyze the Government's responsibility under the above paragraph I have just read. If a wealthy person or a corporation takes out a flood-insurance policy of \$250,000, the Government pays 40 percent of his policy premium, and to the extent he is damaged, if it be total, the Government pays

less certain deductibles, the full amount. In addition, it pays the insurance company and the claim agents a fee for handling the business.

My first reaction is that this law should have never been written, and the Government should have never been put into this kind of business.

Since the beginning of this Nation, businessmen, farmers, and laboring people have located along the rivers and in the valleys because they offered special inducements; such as water for transportation, more fertile and productive land, and other advantages. They knew floods would occasionally come, but they also knew the advantages of the valleys, over the years, compared with the upland with less transportation and less productive farmland. They weighed the advantages and generally have prospered over 100 years, and never expected an insurance subsidy by the Federal Government.

Last year in California, due to the drought, hundreds of homes were destroyed by fire with the homeowners suffering losses of millions of dollars, but they paid for their own insurance—and bore their own losses.

Billions of dollars have already been spent by the Federal Government to protect businessmen, their buildings, and the buildings of homeowners located in all the valleys of the Nation for the past hundred years. Shall we penalize in their behalf further the taxpayers who do not live in a flood area?

The State of Florida, and other Gulf Coast States have been visited with tornadoes, with a deluge of rain on several occasions, over the past years, and have never yet had the advantage of this type of Government insurance, and I think any Representative from the State of Florida in this Congress today, and most of us who have watched the great growth of Florida will agree that without this insurance, Florida has become one of the richest States, in the shortest length of time, there is in the Nation.

Sometimes I wonder how the American people in the valleys have gotten along so well and prospered without the Federal Government paying a part of their flood hazards insurance for the past hundred years when they have helped to build this into one of the strongest nations in the world.

Further testimony given before the committee follows:

The rates may be subsidized up to 40 percent by Federal Flood Indemnity Administration in order to achieve marketability of the insurance.

After June 30, 1959, the subsidy contribution will be shared equally between the Federal Government and the State within which the property is located; no insurance may be issued after that date in States which do not agree to share the subsidy contribution."

This is the old "something for nothing come-on" with which the Congress is familiar.

On page 188 of the hearings recently held before our committee, Mr. Meistrell testified and I quote:

The statute provides that this is to be an experimental program, and there is a 5-year period under the statute. The attitude of the insurance industry traditionally has been

that this is not the type of coverage that lends itself to private industry operations; however, there is no way of knowing whether they are right in that judgment or not.

In closing, let me say that if we approve the amendment, we, in fact, let the Government in on a great experiment. We embark upon a program to guarantee \$3 billion of high-risk insurance in any one year plus \$2 billion more if the President sees fit.

And in the testimony, it is admitted that if we write \$3 billion of insurance that it will cost the Federal Government a minimum of \$50 million a year out of pocket for subsidies. This raises the question, with the people demanding a reduction of the cost of government and the Hoover reports urging that the Government get out of business, can we afford to approve this bill as it is written and obligate the Government to carry forward the program, or had we better continue the study and try to work out a plan that would reduce what appears to be heavy losses in the future that could run into billions of dollars?

Mr. SHEPPARD. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, the latest figures from the Department of Labor with regard to housing starts shows that there were 850,000 starts in the month of March, the lowest figure in 9 years. The number of new housing starts which most authorities believe to be desirable is 2 million starts a year. I know we are going to take up the Housing bill as the next order of business. It is a good bill under the circumstances and doubtless will be of considerable help. However, I call the attention of the Committee to page 12 of the report on the pending bill. At the bottom of the page housing is mentioned, under the heading of Housing and Home Finance Agency, and there is the following statement:

The committee has denied the budget estimates for \$170,000 for administrative expenses, and \$800,000 for studies of housing design and construction, supply and demand, and the mortgage market. Such studies may be of value but the committee does not consider them to be essential at this time.

That may well be correct; however, in view of the very bad housing situation and the fact that there are thousands of families who want to get on the road to home ownership in this country, in view of the fact that the housing starts have gone down to the lowest point in 9 years, even though our population has been increasing very rapidly and there should be a substantial upward trend in housing starts, I want to ask the able gentlemen from Texas [Mr. THOMAS], to enlarge a little on why these sums were stricken out in committee.

Mr. THOMAS. I will attempt to clarify any question my distinguished friend from Oregon has in his mind. I think the gentleman is exactly right about the new housing starts with reference to this year. It looks as though they are going to be 20 percent beneath the figure for last year, which is serious; there is no question about that.

Last year we had about 1,100,000 starts; the year before that we had 1,330,000 new housing starts; so they are going down and down. We would like to see them go up because new housing construction is one of the main-springs of our economy.

But we know why these new starts have not materialized. Every builder in this country knows the answer. There would be plenty of new starts if they could get mortgage money without too many discount points attached to it.

So we just merely denied the funds on the theory that they were not necessary at this time. As a matter of fact we have had this appropriation for 5 consecutive years. We had it way back in 1949, 1950, 1951, 1952, and 1953, to the tune of \$500,000 to \$1 million a year.

If we pass this housing bill today or tomorrow it is bound to help. But we all know that the real difficulty is tight money. The builders say it is tight money. FHA knows that, Fannie May and the Administrator of Housing and Home Finance, I imagine, know it too.

Mr. PORTER. I thank the gentleman. As I understand him, the time has passed for study and the time is now at hand for action.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. VURSELL. Mr. Chairman, it is a policy that once a year the great railroad organizations of this country name the outstanding railroad man of the year. They generally pick an elderly gentleman. I am proud to announce that the one chosen as the outstanding railroad man of this year happens to be a constituent of mine from my home county at Centralia, Ill. He and his good wife are in Washington and I just wanted you to know that we have this honored guest from my congressional district—Mr. Harry Adams and his wife—here today. He goes on the television and radio nationwide tonight and tomorrow.

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions concerning this bill and I hope some Member of the full Committee on Appropriations or the subcommittees involved can enlighten me. I should like to turn first to the Fish and Wildlife Service, with an appropriation of \$75,000 for the stated purpose "additional amount for administrative expenses not to exceed \$75,000 to be derived by transfer" and so forth. I should like to ask some member of the committee how much of this money is going to implement the so-called reorganization of the Fish and Wildlife Service?

Mr. KIRWAN. When they came up here they asked for \$239,000 for the rest of this year. The committee cut that down to \$75,000. That is to be absorbed by the Department in the money they now have.

Mr. GROSS. They originally requested, as I understand it, for \$900,000 or more to put this reorganization into effect. Last year, when the bill was passed creating an Assistant Secretary in the Interior Department for the purpose of administering the Fish and Wildlife Service, and also for the establishment of a commissioner, we were told at that time it would take an increase of only 6 to 12 employees. Do I understand that we have previously appropriated \$90,000 for this purpose?

Mr. KIRWAN. Not for this year. In the 1958 bill we allowed \$94,000 for the new Assistant Secretary. But for the Fish and Wildlife Service we took all administrative funds out until we could review the request further. They were not sure what they needed and on the night of the markup of the bill they revised their original request. We took it all out and sent it over to the Senate. On an annual basis they asked for an increase of \$904,000 and we cut it down to \$300,000. That is \$75,000 for the rest of this year and comes out of the Department appropriations they have this year.

Mr. GROSS. That is for the purpose of reorganizing?

Mr. KIRWAN. Yes; getting it set up. There is no new money in the \$75,000. We also served notice on them that they could not maintain duplicate administrative staffs in Washington and in the regional offices for each bureau.

Mr. GROSS. I want to commend the gentleman from Ohio [Mr. KIRWAN] and his subcommittee, as well as the full Appropriations Committee which eventually passed on this, for holding these people down to size. It was never the intention of this Congress, I am sure, when it created an Assistant Secretary to give him \$900,000 or any substantial part of that amount of money and I certainly compliment the committee.

Mr. KIRWAN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I should like to turn now to page 11 of the bill and ask what is meant by the language "for an additional amount for emergencies in the diplomatic and consular service \$725,000"? Is there anyone who can enlighten me as to what this three-quarters of a million dollars will be spent for?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. MASON. It has been suggested on the floor that it might be used for Haig & Haig, whatever that means.

Mr. GROSS. I would like to find out.

Mr. MASON. Certainly, someone on the committee ought to be able to answer that question so that we may know why three-quarters of a million dollars is being added to this item.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. HARDY. I hope when the gentleman gets an answer to that question that he will find out what "International Or-

ganizations and Conferences" means also.

Mr. GROSS. That is why I asked for 15 minutes, so that I could get the answers to some of these questions.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I will be very happy to yield to my friend from New York.

Mr. TABER. If you turn to page 20 of the report, you will find that the State Department requested \$2,200,000 under the category salaries and expenses, and of this amount \$1,000,800 was requested for the payment of salary increases under Public Law 828, 84th Congress, and—

Mr. GROSS. If I may interrupt the gentleman from New York. I am addressing myself now to this \$725,000 for Emergencies in the Diplomatic and Consular Service, and not to the item preceding it, which is \$500,400 for salaries.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. The committee had before it a request in the amount of \$2,200,000 under the title "Salaries and Expenses." Included in this amount was a request in the neighborhood of \$1 million—it was exactly \$1 million—for alleged American evacuation costs last fall from the scene of hostilities in the Middle East. This latter item of \$1 million properly belongs under the category in which it has been carried in appropriation bills for many years, that is, under the appropriation title Emergencies in the Diplomatic and Consular Service. The action of the committee cut the amount of \$2,200,000 requested under Salaries and Expenses, Department of State, to the extent of \$1,699,600 but allowed \$725,000 of the \$1 million requested for the Middle East evacuation. In this regard the committee report reads as follows:

A supplemental request of \$2,200,000 was contained in House Document No. 115 for "Salaries and expenses," Department of State. Of this amount, \$1,000,800 was requested for the payment of salary increases authorized under Public Law 828, approved July 28, 1956; \$41,880 was requested for official residence allowances for deputy chiefs of mission authorized under Public Law 828; \$157,320 was requested for medical benefits for dependents also authorized under Public Law 828, and \$1 million for evacuation costs from the scene of hostilities in the Middle East.

The committee has included in the bill \$500,400 for the payment of salary increases authorized under Public Law 828. The Department is expected to absorb the additional cost of the salary increases. Funds for official residence allowances for deputy chiefs of mission and medical benefits for dependents have not been allowed.

The committee has approved \$725,000, a reduction of \$275,000 in the amount requested, for expenses incurred in the evacuation of Government employees, their dependents, or other American citizens from the scene of hostilities in the Middle East. The committee is recommending that this additional amount be included in the item "Emergencies in the diplomatic and consular services" rather than in the item "Salaries and expenses."

Mr. GROSS. Do I understand correctly, in the evacuation carried out in

Egypt, that there were some 3,000 persons evacuated and of that number only about 233 were State Department employees?

Mr. ROONEY. That is approximately correct. There were 3,000 American citizens and foreign nationals and there were 233 Foreign Service employees, their wives and children. It is expected that at least \$250,000 will be collected by the Department of State out of the \$725,000, and returned to the Treasury.

Mr. GROSS. In other words, this covers the evacuation of a substantial number of people who were in no wise connected with the Government; is that correct?

Mr. ROONEY. That is correct.

Mr. GROSS. Yes.

Mr. ROONEY. There is authority in law for this in such a case as the Middle East crisis. In order to prevent international incidents happening in crises such as happened in the Middle East, the Department of State's first problem is to get our people out as soon as possible for their own safety. These people are required to pay back to the State Department the money or expenses which were advanced in their behalf.

Mr. GROSS. That we hope will be done but which we are pretty certain will not be done.

Mr. ROONEY. I do not agree with the gentleman.

Mr. GROSS. Would the gentleman say that was true for the evacuation in South Korea?

Mr. ROONEY. I do not have those figures at the moment. I am under the impression that the State Department made considerable recovery.

Mr. GROSS. Well, I will say to the gentleman that I had a hand in stopping the bill when it originally came in here to indemnify evacuees from South Korea to the tune of some \$900,000. That amount was considerably reduced in the end.

Mr. ROONEY. I do not recall that.

Mr. GROSS. I never give up on this business, when I think there can be some money saved.

Mr. ROONEY. I too like to save money for the taxpayers. When we are confronted with a situation such as that which arose in the Middle East last fall, getting these people out under short notice, the Department of State is required to see that they pay back, if they are at all financially able to do so, the amount of money for evacuation expenses advanced in their behalf.

The committee unanimously thought that the alleged \$750,000 expense in connection with the 233 people who were Foreign Service personnel, wives, and dependents was entirely out of line. This was the reason for the cut in this item from \$1 million to \$725,000.

Mr. GROSS. If we are going to embark upon this business of evacuating people, no matter who they may be, anywhere in the world, and we have our noses in every nook and corner of the world, when some brush fire starts somewhere, we are going to be spending the taxpayers' money to evacuate every Tom, Dick, and Harry. That will mean that we will have a big bill on our hands.

Mr. ROONEY. There is nothing new about this procedure.

Mr. GROSS. Yes, there is.

Mr. ROONEY. I do not agree with the gentleman. When we have American citizens and American personnel in a danger area overseas, I think it is the responsibility of this Government to use its resources to see that they are safely evacuated and returned to this country.

Mr. GROSS. Mr. Chairman, let me say this to the gentleman. The hearings do not show that all of these people were American citizens. But let me ask the gentleman this question. How much of this \$725,000 is for the House Committee on Foreign Affairs, for travel purposes or for junketing purposes?

Mr. ROONEY. None of it.

Mr. GROSS. None of this \$725,000?

Mr. ROONEY. That is correct.

Mr. GROSS. I thank the gentleman. Now let us go to this other item of \$4,169,409 of which \$3,333,000 shall be available for payment to the United Nations as a contribution for the United Nations emergency force. Let me ask the gentleman this question. How much has any other country in the world contributed to the maintenance of the United Nations police force presently in the Middle East?

Mr. ROONEY. The gentleman will find that set out in the printed hearings which he has.

Mr. GROSS. The hearings indicate that they have not contributed anything.

Mr. ROONEY. Commitments have been made. At the moment we are required to pay only one-third of \$10 millions of the \$16.5 millions budget. This is what the committee report says in this regard:

The committee was advised that the Secretary General of the United Nations was authorized to incur expenditures on behalf of an emergency international force, UNEF, for 1957 up to \$16,500,000. Of that amount \$10 million was to be met from assessments on member governments in accordance with the regular assessment scale, and the remaining \$6,500,000 was to be met by voluntary contributions. The committee has allowed the sum of \$3,333,000 as contained in House Document No. 115 to pay for the United States assessment of 33.33 percent of the initial \$10 million expenditure for UNEF to secure and supervise the cessation of hostilities in the Middle East. Also included in House Document No. 115 was a request for \$3,250,000 as a voluntary contribution to UNEF which is 50 percent of the total to be met in that manner. The Committee has not included funds in the bill for this requested voluntary contribution. Since this is not a regular contribution item, the Committee feels that such voluntary contribution should be made from funds available to the President.

The gentleman does not dispute the fact that it is a good idea to expend moneys for a United Nations emergency force so that we do not have to send American troops into that area?

Mr. GROSS. That is another assumption in which the gentleman is dealing; that is, if this so-called United Nations police force were not in that area American boys would be there getting killed. That is completely an assumption, and the gentleman knows it.

Mr. ROONEY. Does not the gentleman think this great Nation can afford

its share of funds for the United Nations emergency force?

Mr. GROSS. I think they should pay their way. Let those countries help to pay for this United Nations police force if they insist on having them. Why saddle the whole expense on the American taxpayer?

Mr. Chairman, let me tell you what these hearings show, and what we know, anyway, without the hearings.

Mr. ROONEY. I have not had an opportunity to read the hearings in over a month. I shall do the best I can.

Mr. GROSS. I shall refresh the gentleman's memory, then.

Mr. ROONEY. Very good; perhaps I shall remember most of them.

Mr. GROSS. We have put out at least \$5 million to clear the Suez Canal. We did not dump anything in the Suez Canal, but we have spent at least \$5 million of our taxpayers' money to clear the Suez Canal. How much have the British, French, or Israelites contributed to the fund to clear the Suez Canal, or how much has any other country contributed? There is \$4,500,000 worth of supplies that we have given to the U. N. police force. What has anybody else given by way of supplies to the U. N. police force? That makes \$9,500,000.

Mr. ROONEY. At page 279 of the printed hearings will be found the testimony in this regard. It reads as follows:

SALVAGE OPERATIONS IN SUEZ CANAL

Mr. ROONEY. In addition to the \$2,200,000 and the \$3,300,000 and the \$3,250,000, have we expended moneys with regard to salvage?

Mr. WILCOX. You mean with respect to the canal?

Mr. ROONEY. Yes.

Mr. WILCOX. No, sir. We contributed \$5 million to the first amount requested by the Secretary General; and the other nations of the United Nations and the users of the canal contributed the balance up to some \$11,500,000. The amount required to clear the canal, however, has been very considerably reduced below the original estimates, and I think there won't be much needed beyond \$10 million.

Mr. ROONEY. When you say \$10 million—

Mr. WILCOX. That money is to be reimbursed to the United States.

Mr. ROONEY. By whom?

Mr. WILCOX. The plan hasn't been worked out.

Mr. ROONEY. Has the \$10 million already been expended?

Mr. WILCOX. Most of it has, sir.

Mr. ROONEY. You don't have a plan as yet for reimbursement to the United States?

Mr. WILCOX. No, sir, it hasn't been completely worked out, but it will be done through the United Nations.

SUPPLIES FURNISHED FOR U. N. EMERGENCY FORCE

Mr. ROONEY. In addition to these various amounts that the United States has been called upon to pay, has the United States Government given certain supplies in connection with this United Nations emergency force?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. To what extent?

Mr. WILCOX. Always subject to reimbursement.

Mr. ROONEY. To what extent, first?

Mr. WILCOX. It is estimated that the value of all the supplies, services, and materials secured from the United States Government may approximate \$4,500,000.

Mr. ROONEY. Is that to be repaid?

Mr. WILCOX. By whom?

Mr. ROONEY. By whom?

Mr. WILCOX. To be repaid through the United Nations from the contributions that have been made by the various states.

Mr. ROONEY. You mean out of the \$10 million fund?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. How much has been expended out of the \$10 million fund up to now?

Mr. WILCOX. I don't know that I can give you that accurate figure, sir. I have the summary of expenses up to March 12. Up to March 12 the total of obligations incurred amounted to about \$6,750,000.

Mr. ROONEY. Does that include any part of the amount of \$4.5 million for supplies?

Mr. WILCOX. Yes, sir. The United States has been called upon to furnish supplies—always with reimbursement.

Mr. ROONEY. How much of the amount that you mentioned has been returned to the United States in connection with the \$4.5 million for supplies?

Mr. WILCOX. I thought we were finished with this, and our expert on the subject is not here this afternoon, sir. I can't tell you precisely how much has been paid back. I don't know the exact nature of the accounting system, but I do know that the requests are very carefully screened, and arrangements are made for repayment by the United Nations to the United States Government.

(The following information was supplied later:)

"No repayments have actually been made thus far. The Department of Defense is now in the process of preparing bills for the full amount. These will be presented to the United Nations for full payment under the authorized budget of \$16,500,000."

Mr. GROSS. Then there is \$2,250,000 that we spent for an airlift for the United Nations police force. And yet there is \$3,333,000 in this bill for the further support of the United Nations police force, when we have already spent nearly \$12 million on this deal in the Middle East that is apparent in this record. Now I should be glad to yield to the gentleman.

Mr. ROONEY. There is a limitation against our contributions to the United Nations to the extent of 33 1/3 percent. It is for that reason that we deleted \$3,250,000 from this bill and said it should be paid out of the President's \$200 million fund.

Mr. GROSS. All right; let me ask the gentleman this question: If our contribution to the United Nations is limited to 33 1/3 percent, why do you have \$666,600 in this bill for the capital fund of the United Nations? That is over and above your 33 1/3 percent, is it not?

Mr. ROONEY. That is, in effect, a temporary advancement which will be returned to the United States as a credit.

Mr. GROSS. That is over and above it, is it not?

Mr. ROONEY. Not exactly.

Mr. GROSS. Yes, that is what your testimony shows here.

Mr. ROONEY. That is not exactly so, at all. The committee pointed out that the State Department and our leading diplomats, Secretary Dulles and Ambassador Lodge in New York, promised to pay not 33 1/3 percent but 50 percent of the \$6.5 million additional UNEF fund, if you please. The committee was asked to approve the additional 50 percent. Since the committee has had a limitation to the extent of 33 1/3 percent, it said to Messrs. Dulles and Lodge "You get this money out of the President's fund."

Mr. GROSS. I commend the gentleman and his subcommittee for not allowing the \$6,500,000. It would have been a 50-percent contribution. I commend the gentleman on that.

Mr. ROONEY. But this does not necessarily mean that I am against paying that additional money, because if by spending these dollars, whether they are \$5 million or \$10 million, we will save American boys' lives, I will spend the money.

Mr. GROSS. Let us quit dealing in these assumptions. It seems to be the fashion to come down here in the well of the House, wave the flags and say: "If you don't spend a billion here and a billion there, you are going to have American boys fighting some place." If that would stop a war; if we could buy the stopping of wars, we certainly have spent enough already to stop wars for the next century.

Mr. ROONEY. I would not now be under the gentleman's skin as far as I am if he had privately asked me the answers to these questions.

Mr. GROSS. The gentleman has not got under my skin.

Mr. ROONEY. The distinguished gentleman has a great habit of getting up on the floor and hitting one with skillful questions right out of the blue. I am just doing the best I know how. If I have gotten under the gentleman's skin, I apologize.

Mr. GROSS. The gentleman has not gotten under my skin, not at all. It is too tough for that.

Let me get back to this situation and point out to the Members again that we have spent \$2,250,000. Certainly it is not a part of this bill, but we spent the money for an airlift for the so-called United Nations police force, and \$5 million to clear the Suez Canal. Then there is \$4,500,000 for supplies for the U. N. force. Still they want \$3,333,000 from the American taxpayers through the provisions of this bill to support further the United Nations police force.

I say to you it is time to call a halt. Let the people that are supposed to be parties to this deal that voted in the United Nations General Assembly for a fund that all would contribute to, let them call upon these other nations to make good on their contributions. Let us take that out of this bill for the time being and see if they will not contribute as they are supposed to do. You have already spent approximately \$12 million that shows on the record, and of course more money has been spent that we know nothing about, or at least it has not come to the surface as yet.

I should like to ask the gentleman to explain also about this \$225,000 for international contingencies. That is a nice sugar-coated pair of words.

Mr. ROONEY. How would the gentleman like me to do it?

Mr. GROSS. I would like the gentleman to tell me what it is all about.

Mr. ROONEY. The International Contingencies item is to cover the costs of previously unscheduled international meetings and conferences. Secretary Dulles and President Eisenhower are always engaged in many meetings and we

must be properly represented. We were asked for \$450,000 for this purpose; and we halved it in two.

Mr. GROSS. That is good. If you had cut it all out, it would have been better. But do they have \$240,000 still unexpended in this fund?

Mr. ROONEY. That was the testimony. If the money is not used for the purpose for which it is appropriated, it will lapse into the Treasury at midnight of June 30 coming.

Mr. GROSS. That does not happen very often; does it?

Mr. ROONEY. Every once in a while we have seen it happen, although not very often with this high-priced Republican administration.

Mr. GROSS. What happens, may I ask the gentleman, to all of those funds that are voted to the President for emergency purposes? What about the \$200 million that was authorized to go along with the Eisenhower doctrine, which I voted against? I wonder how that is that is being expended. Could the gentleman provide any information as to what is happening to those funds?

Mr. ROONEY. Those funds are in another area. I have enough trouble trying to keep up with what is being done in the State Department and the USIA. I am sure the gentleman can easily get that information from the White House.

Mr. GROSS. I thought that perhaps you would go into that in the hearings on this bill and in view of that I asked the question.

Mr. ROONEY. That is not in this bill at all. That money has already been appropriated to the President. The gentleman is now asking me for an accounting of what has been done with it. I am not in a position to answer the gentleman at the present moment.

Mr. GROSS. I think if I had been on the committee, I would have been interested in what is being done with those funds in view of the fact that more money is being voted for the U. N. police force. I know of no reason why and, perhaps, the gentleman can tell me, why some part of the \$200 million already appropriated, should not be spent for this U. N. police force.

Mr. ROONEY. That is exactly what the committee has recommended.

Mr. GROSS. No, no.

Mr. ROONEY. Oh, yes.

Mr. GROSS. No, you are asking the taxpayers to put up \$3,330,000 of new money. You are not taking it out of the \$200 million that is available to the President.

Mr. ROONEY. The gentleman misunderstands the situation.

Mr. GROSS. No, I do not misunderstand the situation.

Mr. ROONEY. If the gentleman will look at the figures on page 31 of the committee report, he will find that there was requested the amount \$7,464,384. The committee recommended \$4,169,409, or a cut of \$3,294,975. Of this latter amount \$3,250,000 was for the UNEF additional fund and it was directed that this voluntary contribution to that additional fund should be made from funds now available to the President.

Mr. GROSS. I am talking about the \$3,330,000 in this bill.

Mr. ROONEY. There the committee had no alternative but to allow the regular one-third United States share of a regular United Nations fund of \$10 million. One-third of that is \$3,333,000. The committee recognized the fact that we must pay our regular one-third United Nations share in, of all things, the cost of the UNEF soldiers in the Middle East.

Mr. GROSS. Yes, but nobody else seems to want to pay and nobody else seems to feel any moral obligation to pay. Why do not we adopt that course just once—just one time?

Mr. ROONEY. I may say to my distinguished friend from Iowa, I wish we did not have to pay at all.

Mr. GROSS. Let us do what they are doing and, perhaps, they will wake up and pay some of these costs just once. That is all I am asking—we cut it out just once and see whether they are willing to pay or not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 8 minutes to the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. Mr. Chairman, I am grateful for the opportunity to speak briefly in behalf of the citizens and property owners of the coastal area of my congressional district in North Carolina, who, up until the passage of the Federal Flood Insurance Act of 1956, by the 84th Congress, could see no hope for the economic future of their area.

The explanation for their feeling of hopelessness and frustration is easily understood, and I am sure all the members of this committee would share that feeling if they had been subjected to the harrowing experiences packed into the lives of these people in a period of less than 11 months.

Hurricane Hazel struck the two coastal counties of my district on October 15, 1954. Over 1,200 homes were completely destroyed and more than 600 were heavily damaged in these 2 coastal counties alone. Losses ran into the millions of dollars in both public and private properties.

A small percentage of these losses in private property was covered by insurance, specifically under the extended coverage clause of insurance policies. But this point cannot be emphasized too strongly: The extended coverage clause of these insurance policies specifically denied and excluded any recovery for damages caused by rising water, floods, wavewash, or water driven by wind, and unless it could be shown conclusively that the damages incurred came from winds alone, and not from wind-driven water, there was no recovery or at best a small settlement.

In spite of the devastating and disastrous results of Hurricane Hazel during October 1954, our people in this area did not lose heart. After all, this was a new experience for them and most of them made their plans to build again in the fall of 1955 or early spring of 1956.

Such, however, was not the case. Again these two coastal counties in my district of North Carolina were struck by Hurricanes Connie, Diane, and Ione during the late summer of 1955. These

three hurricanes did not do the physical damage that was caused by Hazel in 1954 in the coastal counties of my district, but the devastating effect of these hurricanes reached other counties and the Nation, as is well known to all the Members of this Congress.

However, this was it. The insurance companies on the expiration of their annual policy contracts canceled and moved out. They took with them what little protection that was afforded, even under the so-called extended coverage clause. Mr. Chairman, no Member of the Congress now believes that private insurance is available to anyone that will offer protection for flood damage, wavewash, tidal waves, rising water, or water driven by wind. Such insurance is not available today.

Your attention is directed to page 342 of the hearings before the House Committee on Banking and Currency on February 8, 1956, where this matter was considered. Mr. J. Victor Herd, president of the National Board of Fire Underwriters and also representing the American Insurance Association, flatly stated that private insurance companies had ruled out flood insurance, which included tidal wave, wavewash, or water driven by winds on fixed property. This covers real estate wherever it is found.

The tragedy is now, that these former homeowners and small-business people cannot rebuild. Construction and rebuilding stopped completely after the hurricanes of 1955. No banks, building and loan associations, or any other lending institutions or agencies will put a nickel in construction in this coastal area unless and until some type or kind of insurance is available that will give some measure of protection.

I hope, ladies and gentlemen of the committee, from this statement you will now understand what the passage of the Federal Flood Insurance Act of 1956 meant to these people. It was their first ray of hope—a promise of help from their Government—what they considered a firm commitment from their Congress.

From my reading of the testimony given at the hearings on this matter and from a study of the bill, I recognize that it is a new venture; but at the same time it was the will of the Congress that this program be started. As all the members of this committee know, the act provides for State participation in the payment of the insurance premiums after July 1959, and it also contains a requirement or condition that the Commissioner file an annual report, along with his opinion, supported with pertinent findings, as to the advisability of withdrawing, in whole, or in part, Federal financial support for this program.

Personally, I believe the agency charged under the act with the responsibility of developing and administering the program can and will do a good job. I subscribe to the policy announced by Mr. Frank J. Meistrell, the Commissioner of the Federal Flood Administration, that he does not intend to put on the Federal payroll a host, or any employees, to go over the country peddling insurance policies—that he will not employ full-time, or even part-time, Federal

claim adjusters to sit around and wait for losses to occur.

He has announced his decision to use the facilities of the insurance industry in the sale of these insurance policies and to use the present existing private adjustment agencies and bureaus in the settlement of claims and losses. These groups have agreed to this arrangement—and are to be compensated only for their out-of-pocket cost—which does not include any profit, administrative overhead, or other expense incident to the normal conduct of their business.

Surely, ladies and gentlemen of the Committee, it should be our desire—and I am sure it is—to keep the cost of this program as low as possible, and it seems to me this is the way to proceed.

And this, we can be assured of: if, for whatever reason, rates or otherwise, no insurance policies are sold under this program, then there will be no payments, in any amounts, to insurance agents and brokers; if policies are sold and there be no losses or claims, no payments whatever will be made to private adjustment bureaus or agencies. And this is as it should be.

For my part, Mr. Chairman and members of the Committee, I cannot escape the conclusion that the decision as to whether or not this program should be tried is a matter for the determination of the full membership of the Congress.

For the people of the coastal area of my district and for the thousands throughout the country similarly affected, I respectfully request and urge the Members of this Committee to give the promised flood-insurance program a fair trial.

Mr. SHEPPARD. Mr. Chairman, I yield 9 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I should like to associate myself with the remarks just made by my distinguished friend and colleague from North Carolina, who has done yeoman service on behalf of this legislation.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. HARDY. I want to comment on that also and commend the gentleman from North Carolina for his very clear discussion of the need for some Federal participation in a program of flood insurance in order that we may develop some system by which people can insure themselves against such disasters. Without Federal participation there is no way in the world by which it can be worked out under present insurance practices, and unless the Federal Government can help develop the system I am afraid it is going to be hopeless.

Mr. THOMPSON of New Jersey. I agree with the gentleman and thank him for his contribution.

Mr. Chairman, I rise in support of the amendment to restore funds to the Federal Flood Indemnity Administration.

As cosponsor with Senator Lehman of the legislation which was enacted as the Federal Flood Insurance Act of 1956 I can speak with experience on the subject now

before us and with deep personal conviction.

The distinguished Committee on Appropriations, in refusing to recommend any operating money at all for the Federal Flood Indemnity Administration, is attempting to undo the work of the previous Congress which acted only after a solid year of study on this subject.

It seems hardly necessary to remind the Members of the House of the origins of the Federal Flood Insurance Act. It was created after one of the most terrible natural disasters in our Nation's history. Hurricanes throughout the fall of 1955 tore up the east coast of the country and penetrated deeply into the Northeastern States.

After the hurricanes were past—there were two that my people had to weather and a third that the Carolinas had to sustain—we were left with a \$1 million shambles. New Jersey \$19 million damage, New York \$15 million, Pennsylvania \$76 million, Massachusetts \$119 million, Rhode Island \$18 million, Connecticut \$215 million. There is no need to go further. The west coast later that same year sustained almost as heavy damages from inland water flooding.

Who sustains the costs of these disasters? The homeowner whose house is caved in or washed downstream. The businessman whose investment disappears with the receding waters. And usually both are deeply mortgaged or otherwise in debt. Senator Lehman used to say that floods wash away many a home, but never wash away the mortgage.

But that is not all. The Federal Government pays heavily. The citizen who was lucky enough to escape material damage does not avoid a new tax burden. When the Governors of the States request aid, the President declares disaster areas and suddenly the Federal Treasury is opened. Under Public Law 875, here was the disaster relief:

	Million
North Carolina, August 1955.....	\$3.2
Massachusetts, August 1955.....	1
Pennsylvania, August 1955.....	1
California, December 1955.....	9.5
Oregon, December 1955.....	1.3

Those are just highlights of Federal expenditures to assist flood-stricken areas. House Document No. 142, the report of activity under authority of Public Law 875 from July 1, 1954 to December 31, 1956 shows direct Federal grants of more than \$34 million—most of it in flood relief.

These were only payments to communities. The figures do not suggest the heavy loss to the Treasury where individuals and businesses deducted flood losses from their Federal income taxes as losses, bad debts, or decrease of taxable income. They do not reflect the heavy unemployment payments that come in the wake of floods.

I am not suggesting that people in distress be denied relief. But wouldn't it be a lot more economical for the Federal Government—and less humiliating for the victims themselves—to have people make a financial contribution toward their own protection? This money, as in all insurance plans, would form a pool to pay those who suffer losses. And the

payment of loss claims would reduce the drain sustained by the Federal Treasury in disaster relief.

Of course, the flood-indemnity program at first will not collect the full cost of this insurance. It cannot for the same reason that private insurers have never been able to offer blanket flood coverage. The premiums would be too high for most people to afford.

But the Federal Government is asking the people to contribute 60 cents for each dollar of insurance they buy. That is just 60 cents more than the Treasury gets back today from areas, like Texas, for instance, which are receiving great sums of money as outright grants.

The Federal Flood Indemnity Administration requested \$50 million as a supplemental appropriation to run through the balance of this fiscal year and through the next fiscal year.

Of that sum, \$36 million is for subsidy payments—the 40 cents on each dollar of premium money that the Federal Government uses to ease the burden of the buyer of insurance. Does the 40 cents go to the buyer? No. It goes into the disaster-insurance fund for loss reserves to pay claims. I understand that the Federal Flood Indemnity Administration has the authority to borrow this money from the Treasury, but has requested it as an appropriation so there would not be an additional cost of interest on borrowed money.

The balance of the money requested—\$14 million—is for operating expenses—money to pay the actual out-of-pocket costs for insurance companies which will sell and service these insurance policies. This \$14 million has bought the services of the entire American insurance industry at cost. This same industry, which was unable to write flood insurance on its own risk and was highly skeptical of the Government working out a satisfactory method to do it on its own, is now willing to work at cost. Frank J. Meistrell, Commissioner of the Federal Flood Indemnity Administration, tells me tomorrow he will start mailing out fiduciary agreements whereby thousands of insurance companies will contract to write these policies at no profit, no overhead, not even administrative expenses.

This brings us to the report by the Committee on Appropriations, where the distinguished members justify their elimination of this request. The committee suggests that the Federal flood-indemnity program is indefinite and unworkable.

The Federal Flood Indemnity Administration is ready to offer insurance throughout the Nation as soon as it gets an appropriation from the Congress. Allowing for the time it would take to get these policies into the hands of agents, it should take the Government from 30 to 45 days after the money is appropriated to put policies at the disposal of your constituents, right in your own communities.

On the question of workability, we must call up expert opinion. The private insurance industry—mind you, the same people who testified before Members of this House last year that they

did not think the Government could create a flood insurance program—are now ready to sell these policies. These are people who spend their lives in the highly intricate business of insurance and they say publicly that the Federal flood indemnity program looks good to them. And they believe that the rates are reasonable and marketable.

For the major classes of risks, the premium rates—after application of the subsidy—will range from \$1 to \$2.50 per \$100 of insurance where the buyer purchases insurance to cover 80 percent or more of the value of his property.

These rates should be within the reach of most property owners and still provide adequate reserves over a period of years to cover the estimated loss claims. It is reasoned that on a nationwide basis, the insurance would be spread through enough areas so that the premium payments of all buyers would be sufficient to pay the losses sustained in one or more areas.

I hesitate to challenge the judgment of the distinguished members of the Committee on Appropriations. But in this instance, I feel that the American insurance industry is better equipped than they to decide the workability of an insurance program.

Mr. Chairman, I am speaking in favor of this appropriation from deep personal conviction based on careful inspection of this program from its origins to this day. It will offer the American people a method to contribute to their own protection for the first time in history. It is a technique based on sound business practices in the face of a crying need on the part of our people. I urge the adoption of the amendment.

Mr. CANNON. Mr. Chairman, debate having been concluded, I ask that the Clerk read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this act may be cited as the "Third Supplemental Appropriation Act, 1957") for the fiscal year ending June 30, 1957, and for other purposes, namely.

Mrs. CHURCH. Mr. Chairman, in accordance with the statement I made on the floor some weeks ago, I am going to raise the point of order of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

The Clerk read as follows:

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary," not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

Mr. COAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COAD: On page 3, line 3, strike out "\$23,400" and insert in lieu thereof "\$16,380."

Mr. COAD. Mr. Chairman, the reduction which is called for in this amendment is from \$23,400 to \$16,380. To assume that the \$23,400 is the full amount which the Secretary of Agriculture needs to bring up his salary and expense schedule for his own office to 100 percent, the amendment calls for a cut of 30 percent. This leaves 70 percent of parity of a full salary schedule.

Mr. Benson has gone on record as favoring only 70 percent for my Iowa farmers. In fact, this last week before the Committee on Agriculture of the other body he has gone on record as being against all supports. The Iowa farmers need 100 percent of parity income and yet Mr. Benson has said many times that high price supports are detrimental to the moral fiber of our people and he has continuously asked for lower supports. Assuming that this philosophy is good for the farmer, as Mr. Benson says, then I am sure that Mr. Benson will welcome only 70 percent for his own office.

I urge the support of this amendment because of the fact that here is a place to economize and more especially because it fits in with the policy of the man who is in the office of the Secretary of Agriculture.

(Mr. COAD asked and was given permission to revise and extend his remarks.)

Mr. MARSHALL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment. I do so with a great deal of regret because I agree so wholeheartedly most of the time with the gentleman from Iowa [Mr. COAD]. The gentleman from Iowa is as concerned about price supports and the prices of farm commodities as I am. He certainly has a worthwhile objective in attempting to acquaint the Department of Agriculture with the problem. However, this is something that is a little different from that inasmuch as this item in the bill is an item about which the Secretary of Agriculture can do very little. This item in the bill was brought about because of the salary increases which we passed in the Congress.

You will note in the language of the bill we state:

For an additional amount for "Office of the Secretary," not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture.

So that this is a matter of transfer of funds within the Department. It also means that we have written this in the form of a limitation. The \$23,400 may not be required because the people from the Department told us that they believe they can make some savings within the Office of the Secretary of Agriculture.

It is a very small amount. Because it is a small amount, we believe we should proceed to allow the Secretary to transfer from other funds where there have been some savings made. We do not

believe there is anything to be gained by this amendment.

I should like to point out that because of the salary increases we made, an item as small as this, \$23,400, is a great deal more difficult to absorb than some larger items would be because there is a certain amount of restriction on the Secretary's Office.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. My colleague may recall that when we had Mr. Ralph Roberts, Assistant Secretary, in charge of administration, before us, he justified this quite frankly, and we felt that he had fully sustained it. We did put the limitation on this small amount of money. Certainly when we are adding more duties to the Office of the Secretary it comes with very poor taste, I think, for us to hamstring him any further.

Mr. MARSHALL. I thank my colleague on the committee.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. COAD. I certainly believe there is a principle here that the Secretary of Agriculture has set himself. This is a small amount. I notice there is only about one smaller amount in the whole bill. But after all, this is a policy that the Secretary of Agriculture says we need only 70 percent. We need more than 70 percent. I admit they need the full amount down here in the Office, but after all, the farmers need more than 70 percent, too. I think that if it is good for the goose it is good for the gander.

Mr. MARSHALL. I wholeheartedly agree with my colleague from Iowa, who is attempting to point out the fact that the farmers in our country are in a difficult position and that something must be done to assist them. It is difficult for me to see how this particular amendment which he offers will in any way help relieve the situation he is expressing, because as far as we are concerned this is something, I must repeat, that came about because of the action of the Congress itself. It would in no way affect the Secretary as far as he himself is concerned. No one would imagine that the Secretary of Agriculture is going to turn back any part of his salary. It does affect the operation of the Office of the Secretary of Agriculture and it certainly would not be conducive to good administration to cut down upon the salaries of the people working and leave positions open in the Secretary's Office. Therefore, I urge the Members to vote against the pending amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. GROSS. As far as I am concerned, we do not have a good Secretary of Agriculture, and I want to take this opportunity to say to my friend from Iowa [Mr. COAD] that I will support his amendment and I hope he will support my amendment to provide somewhere

around 100 percent of parity for the American taxpayers in their contributions to the United Nations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

INDEPENDENT OFFICE

Tariff Commission

Salaries and Expenses

For an additional amount for "Salaries and expenses," \$25,000.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "\$25,000" and insert "\$50,000. Of this amount the sum of \$25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. PRESTON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BAILEY. Mr. Chairman, I find it necessary to offer this amendment. I have just come back to the floor of the House from an appearance before the Tariff Commission in support of the application pending by the Clothespin Producers Association of America making spring clothespins and round clothespins. It was necessary for me in presenting the case properly to the Tariff Commission to produce evidence attested to by the American Ambassador at Copenhagen, Denmark, that one of the two large exporting companies of clothespins from Denmark did not own a clothespin plant of their own, but they were buying clothespins made in the prisons of Denmark and exporting them into this country under the terms of the Reciprocal Trade Agreements Act. If that is happening in the case of clothespins, it could be happening with other articles being shipped into this country in competition with domestic producers. The Tariff Commission advises me they do not have the funds necessary to send expert investigators abroad to determine the facts connected with the cost of production and the wage levels and the working conditions under which these articles are being offered. When a domestic industry asks for a hearing before the Tariff Commission under section 7 of the Reciprocal Trade Agreements Act—you will recall that I happen to be the author of the escape clause provision written into the Trade Agreements Act of 1951—when an American producer applies to the Commission they force that American producer to lay all the details of their production costs and their net earnings and whether they have made a profit or whether they have suffered a loss, and they do not ask a single iota of information from the foreign country and from the American importers who are bringing these foreign products in.

The purpose of this amendment is to make available to the Tariff Commission the sum of \$25,000 to make needed investigations abroad to determine why it

is necessary for some 140 to 150 of our small American industries to be driven out of business because of unrestricted imports. May I say to you that this is not the only instance. This is even worse than dumping foreign made products in this country. Shall we permit a situation to exist that allows articles made under prison labor conditions in Europe to displace the standard of living and the wage levels of the American working men in this country? I hope it will be the pleasure of the Committee of the Whole House to adopt this amendment.

Mr. PRESTON. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PRESTON. Mr. Chairman, I make a point of order against the amendment on the ground that there is no authority for the Tariff Commission to make an investigation abroad into the working conditions under which foreign commodities are produced.

The CHAIRMAN. Will the gentleman from West Virginia cite to the Chair the authority for the Commission to make an investigation?

Mr. BAILEY. Mr. Chairman, the original item of \$25,000 in the proposal before us now covers not only the payment of salaries but covers the payment of expenses, and I say this would be an expense on the Tariff Commission and, therefore, it is germane to the statement in the appropriations.

The CHAIRMAN. The Chair was inquiring as to the authority of the Commission to make the investigation that the amendment contemplates.

Mr. BAILEY. They have the authority to make investigations. They have no money to make it. I was trying to give them some money.

The CHAIRMAN. Do they have authority to make investigations abroad?

Mr. BAILEY. Well, why not?

The CHAIRMAN. The Chair is asking the question of the gentleman.

Mr. BAILEY. I could not advise the Chairman to that effect. But, I do not see why they should be limited to this country because apparently nobody else is. If somebody wants some information, they go abroad and get it. I think the Tariff Commission should be afforded the same opportunity. Members of the Congress, if you want to sit idly by and see the major part of your small American industry, which is the backbone of our country, driven out of business, you just ignore a proposition like this.

The CHAIRMAN (Mr. IKARD). In view of the fact that there is no authority cited for the Commission to make the investigations contemplated in the amendment, the chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

CHAPTER III

Department of Defense—military functions

Department of the Navy

Medical care

For an additional amount for "Medical care," \$10 million, to be derived by transfer from the appropriation for "Construction of ships."

Service-wide supply and finance

For an additional amount for "Service-wide supply and finance," \$8 million, of which \$5 million shall be derived by transfer from the appropriation for "Reserve personnel, Navy," and \$3 million shall be derived by transfer from the appropriation for "Military personnel, Marine Corps."

Mr. MAHON. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MAHON: Page 4, line 19, after the item for "Service-wide supply and finance," insert an additional heading and item as follows:

"Department of the Air Force

"Military personnel

"For an additional amount for 'Military personnel,' \$30,335,000, to be derived by transfer from the appropriation for 'Military construction,' Air Force."

Mr. MAHON. Mr. Chairman, this amendment provides for the transfer of \$30,335,000 from military construction funds of the Air Force to pay and allowances of personnel. Reenlistments exceeded what had been budgeted for last year, and the Congress, after the budget for fiscal year 1957 was approved, passed additional legislation, the Doctors and Dentists Act, Public Law 497, approved July 30, 1956, which brings on the requirement for \$6,505,000 additional funds. Then, further action by Congress increasing survivors' benefits in Public Law 881, makes necessary the additional sum of \$23,830,000. The Air Force has already absorbed a considerable amount of the increased costs in the "Military personnel" appropriation, but we are advised it was not possible to absorb this additional \$30 million and the Bureau of the Budget has sent us a request for the transfer of these funds in order to meet this obligation.

Originally we had planned to handle this request in another bill, but since the committee approved the supplemental appropriation bill under consideration it has developed that the committee preferred that it be handled in this bill and, therefore, at the suggestion of the committee, I have offered the amendment as read by the Clerk for the transfer of available funds within the agency to meet these additional military personnel requirements.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. WIGGLESWORTH. I simply wish to state, from the standpoint of the minority members of the subcommittee handling this bill, that we have no objection to the amendment presented, and unanimously approve the recommendation.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment now close.

The CHAIRMAN. Is there objection? There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MAHON].

The amendment was agreed to.

The Clerk read as follows:

CHAPTER V

Independent Offices

Civil Service Commission

Annuities, Panama Canal construction employees and Lighthouse Service widows

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows," \$500,000.

Mr. HYDE. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HYDE: Page 5, after line 10, insert the following item:

"ADMINISTRATION EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount made available from the 'Employees' life insurance fund,' for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from '\$117,500' to '\$194,000.'

"Not to exceed \$23,000 of the funds in the 'Employees' life insurance fund' shall be available for reimbursement to the Civil Service Commission during the fiscal year 1958, for administrative expenses incurred by the Commission during that fiscal year in the administration of said act, and such amount shall be in addition to any amounts otherwise made available from the fund for such expenses for the fiscal year 1958."

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment. I have not had an opportunity to see the amendment, but because it may be subject to a point of order I reserve it.

The CHAIRMAN. The gentleman from Texas reserves a point of order against the amendment.

The gentleman from Maryland is recognized for 5 minutes in support of his amendment.

Mr. HYDE. Mr. Chairman, this amendment would have the effect of restoring the amount of \$76,500 to the Civil Service Commission for the purpose of permitting it to administer the Federal Employees' Life Insurance Fund so that it might take over the insurance under the various governmental beneficial associations.

In the last session Congress passed a bill permitting the life insurance fund to take over these beneficial associations which had been operating on a private basis in the various governmental departments. Pursuant to that a number of these associations have been taken over, but because of the limitation of funds to the Civil Service Commission there are still quite a few of these associations which have not been taken over by the Federal Government Life Insurance Fund.

The effect of this will be to deprive thousands of Government employees, both now in the service and retired, of the benefit of insurance under these beneficial associations on which policies they have been paying premiums for many, many years. It will work an unconscionable hardship on these people.

The difficulty is that these beneficial associations are no longer able to stay in business because of the Federal Government Life Insurance Fund which Con-

gress has already provided for. The only way these associations can exist and continue as they have been is through the continual addition of new members. Obviously, when the Federal Government's life-insurance program went into effect new members stopped coming into these beneficial associations, so the thousands of Government employees who have been in these beneficial associations for years would lose the benefit of this insurance.

All this amendment does is to restore \$76,500 of administrative funds so that the Civil Service Commission can administer this program which this Congress has already legislatively approved.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. BROYHILL. I wish to associate myself with the remarks of the gentleman and support his amendment. As the gentleman stated, some of these associations were put out of business as a result of this Federal employees' insurance program but some were more or less saved by previous appropriations. Is that correct?

Mr. HYDE. That is correct.

Mr. BROYHILL. Actually these associations are being put out of business as a result of an act of Congress, and we recognize that as the responsibility of the Congress we have taken care of some of them. We will discriminate against those who have not been protected because of insufficiency of appropriations.

Mr. HYDE. That is right. I think there were 25 of these associations. Sixteen have been provided for, but because the Civil Service Commission ran out of administrative funds there are still nine that have not yet been taken care of.

Mr. BROYHILL. Those employees who are already retired are unable to get any other insurance.

Mr. HYDE. The gentleman is right.

Mr. BROYHILL. So they are really the unfortunate victims of an act on the part of Congress; in fact, without providing this administrative fund Congress is reneging upon its obligation and previous commitment.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. DEVEREUX. I wish to associate myself with the gentleman from Maryland and his amendment.

Is it not a fact that through the action of Congress in setting up this new type of insurance we threatened the stability of these insurance associations?

Mr. HYDE. That is right.

Mr. DEVEREUX. Therefore I feel we have an obligation to take the remaining associations into the Federal Government insurance program.

Mr. HYDE. That is right, and the point is that Congress legislatively provided for taking them over. All we are here doing is to provide sufficient administrative funds that they may take them over.

Mr. DEVEREUX. And if we do not, then I think it would show bad faith on the part of the Federal Government in this particular case.

Mr. HYDE. That is exactly so.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Virginia.

Mr. POFF. I want to associate myself with the very able gentleman from Maryland who has made a splendid presentation of the facts involved and I express the hope that the chairman of the committee will withdraw his reservation.

Mr. THOMAS. Mr. Chairman, very reluctantly I must state that the committee insists on the point of order. I notice some of my good friends from Virginia and Maryland whom I see quite a bit 4 or 5 days a week in other places than on this floor present and I am sure they will understand.

You will recall that the language, Mr. Chairman, does two things that makes the amendment subject to a point of order. It first attempts to increase the limitation, then in the next place it attempts to take part of the funds so limited and transfer them from that fund to the general administrative expense fund of the Civil Service Commission.

No. 2. This is a deficiency appropriation bill for the fiscal year 1957. The language attempts to carry the fund over and beyond and into the fiscal year 1958; therefore it is over and beyond the scope of the bill.

It is subject to a point of order on two counts.

The CHAIRMAN. Does the gentleman from Maryland wish to be heard on the point of order?

Mr. HYDE. Only to the extent of asking the very genial chairman of the committee a question. I understand that the chairman is objecting to this amendment not on its merit but on a technical basis.

Mr. THOMAS. Let us take one hurdle at a time. I am objecting now on two scores.

Mr. HYDE. Mr. Chairman, I must bow to the wisdom of the chairman. I recognize that the point of order is well taken.

The CHAIRMAN. The gentleman concedes the point of order?

Mr. HYDE. Yes.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

GENERAL SERVICES ADMINISTRATION

Operating expenses, public buildings service

For an additional amount for "Operating expenses, Public Buildings Service," \$900,000.

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER: On page 5, immediately after line 14, insert the following:

"NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

"For an additional amount for 'Salaries and expenses,' \$575,000, for payment of increased wages to wage board employees from the date of approval of such increases in December 1956."

(Mr. GUBSER asked and was given permission to revise and extend his remarks.)

Mr. GUBSER. Mr. Chairman, I yield to no Member of this House in my desire to economize in Government expenditures; however, I refuse to achieve economy through broken promises or by a breach of faith on the part of the United States Government. The amendment which I offer is to prevent such a breach of faith.

It creates no new program or no new service. All it does is to allow one of our most important Government agencies, the National Advisory Committee for Aeronautics, to fulfill a contract with its employees entered into by both parties in good faith.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Texas.

Mr. THOMAS. May I say to my genial friend from California that he does not have to apologize for what he is doing. He is taking care of his people. He is an economizer, too. Your people will get their money. It is a debt—I think I can go that strong—that the Government will pay to about 375 to 425 unfilled jobs in the NACA. Certainly they should have the money to absorb this and the Bureau of the Budget told them to absorb it. I agree with the Bureau of the Budget and I commend the gentleman.

Mr. GUBSER. If the gentleman will let me proceed with my statement, I am quite sure I have an adequate answer for the point the gentleman has raised.

Mr. THOMAS. I thank the gentleman.

Mr. GUBSER. Let me describe the situation, which makes this amendment necessary. As you know, the National Advisory Committee for Aeronautics hires two types of employees, those who are subject to the Classification Act and whose salaries are determined by this Congress.

The other type of employee is the wage board employee whose salary is determined by a periodic review of wages of similar types of service in the area involved. When a person goes to work for NACA, he goes with the understanding that his salary will be constantly reviewed and revised upward or downward, if private industry pays more, or less, as the case may be, in the area involved.

On December 10, 1956, the wage board determined that a wage increase was in order. It was granted in the San Francisco Bay area alone to 30,000 Federal employees, but it was not applied to some 650 employees at the National Advisory Committee for Aeronautics' installation at Ames Laboratory. And, I might add that the same thing applies to the laboratory in Cleveland and the one in Langley Field, Va.

Now, the statement has been made, and I agree with it, that the Budget Bureau refused the NACA request for a supplemental bill on the ground that they had unfilled vacancies which would allow a diversion of funds to implement this wage board increase. But, the Budget Bureau overlooked one very, very important item, and that is that the NACA, the agency which is compiling the basic research data which keeps our planes ahead of the Russian planes, must re-

cruit scientists every year, and their most difficult problem is the fact that they do not have scientists.

Now, to keep a good scientific organization going, you must recruit every year and keep men coming in at the bottom in order to replace those going out at the top. Their program of recruitment for scientists is a spring program, at the time of graduation from the colleges, and if NACA would have granted this wage board increase out of the unfilled vacancies, that meant that there would have been no recruitment of scientists in the spring of this year at graduation time.

We are economy minded, but there is not a single man or woman in this House who would renege on a financial promise, made to another person, and that is just what we will do if my amendment is not passed. I urge the House to do collectively what each Member would do individually. Let us keep our word and grant this increase retroactively to December 10, 1956.

The CHAIRMAN. The time of the gentleman from California has expired.

(Mr. GUBSER asked and was given permission to revise and extend his remarks.)

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the paragraph close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I find myself in a peculiar position to rise to support an amendment against my friend and colleague on the Committee on Appropriations, the gentleman from Texas [Mr. THOMAS] who has handled this matter. However, this matter has been called to my attention also because Ames Laboratory is just a few miles below my own district and I know many of the employees personally.

Here is a situation where the employees to whom the Government has promised a pay raise, 640 employees, are not getting it because of a conflict between two Government departments. The chairman of the subcommittee very sincerely says, "Well, they will get it eventually." But in the meantime their families are doing without the money to which they are entitled and to whom we, the Congress, have obligated ourselves to make payment. I think it is a rather ridiculous situation when the Bureau of the Budget says one thing and the wage survey board says another. The employees are entitled to this increase. The Ames Laboratory people, the NACA, say "We will pay it, but we have not the money." The Bureau of the Budget says "You have got to take it from what you have." I think certainly it is up to the Congress to establish the integrity of the Government of the United States and not allow employees, trained scientific employees, of whom there is a great shortage today, and for whom we are competing with private industry that

offers them far more than the Government offers, to be left in this position.

I think it is up to us to give them the money now, as quickly as we can, and give it to them as of the same date the other Government employees in the blue-collar class got their pay increase in the Bay area and throughout the Nation.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. SHELLEY. I yield to my colleague.

Mr. GUBSER. I thought it might be of interest at this time to point out that as of today the National Advisory Committee has announced that this wage board increase will go into effect as of June 16 which means that the time between December 10 and June 16 is stolen from the employees.

Mr. SHELLEY. That is exactly the point. The gentleman's amendment makes it retroactive to the date of the finding, and instead of taking away that to which these employees are entitled we are only doing that which justice requires.

I wonder how we, as Members of Congress, can justify our action if we deny these people their just wages, which have been set under a system Congress itself has ordered in the Classification Act and in other legislation. As a matter of fact, if the NACA employees do not get this raise until the June 16th date now set, we will be accessories with the Bureau of the Budget and NACA in taking \$525,000 right out of the pockets of the rightful owners. We will be collaborating with the administration in a typically deceitful example of the way in which they practice a false "economy"—by denying the wage earner the dollars he has earned and crying "inflation" if he demands them, and at the same time contributing to real inflation by extravagant spending elsewhere and by policies encouraging big business to reap fantastic profits through higher and higher price levels.

The 6 months' pay which my colleague from California [Mr. GUBSER] and I have pointed out is being withheld from these employees does not represent the full amount of their loss by any means. The 8 cents to 39 cents per hour wage increases ordered by the wage board in December of last year for NACA blue-collar employees would only serve to bring their wages up to the level prevailing in private industry in the area before that time. The level has gone up still further since, and these people under the law will not get their next increase until the wage board conducts another lengthy survey sometime in the distant future, and they will not even get it then unless we take action now to adopt the amendment, and by doing so make it clear that Congress meant what it said when it ordered that prevailing wages be paid. The 1956 survey was instituted in August and it was not until December that wage increases were ordered. So that the system penalized all per diem employees affected to the extent of 4 months' wages right in the beginning. My contention is that the law should be changed to spell out very clearly that blue-collar employees are to get a raise from shortly

after the time a survey begins and not at some dim date when the agencies concerned get around to putting it into effect. Every day of delay is taking just that much money from the workers' earnings, and we will be capping the climax today if we refuse to give the 640 wage board employees at Ames Laboratory, as well as other NACA employees, the money that is rightfully theirs.

Mr. Chairman, I am taking so vigorous a position on this matter not because I do not respect and understand the sincerity of the distinguished gentleman from Texas [Mr. THOMAS], who is chairman of the Independent Offices Subcommittee, but because I have felt very strongly for a long time that we have here a situation that must be corrected, not only as it affects NACA people but Government blue-collar workers everywhere. In fact, it is because of my high regard for the gentleman from Texas [Mr. THOMAS] that I do not want to see him make this mistake. I have a bill before the Committee on Post Office and Civil Service now, H. R. 3090, which sets a mandatory effective date for wage increases ordered by a wage board. If my bill were enacted, we would not be faced with a situation of this kind today, and I certainly hope that this debate will do something to move the committee to act.

I have a file of letters in my hand from employees at the Ames Laboratory, including a petition signed by practically every employee, which were written back in March and which point out how strongly these people felt then at having already lost about 3 months' pay at a rate of \$10 per week or more in some cases. They will be perfectly justified in venting their indignation on us if we perpetuate their losses and increase them by failing to approve the Gubser amendment. Over 30,000 of their fellow workers in similar jobs in the San Francisco Bay area got the same increases in December for which these people are still waiting and for which the committee's proposal will make them wait until June 16. Let each of us imagine how we would feel in that position before we cast our vote on the pending amendment.

In conclusion I want to quote from one of the letters from an NACA employee at Ames Laboratory. He says:

We are proud and desirous to work for the NACA, and the caliber and devotion of employees in this essential branch of the public service is the highest and finest I have personally known. But, sir, our families must be cared for, payments for housing, car, and necessities of daily living must be made, and our wages keep falling lower and lower below the level of those in private industry. We are constantly being enticed to leave the employ of Ames by offers of higher earnings, greater fringe benefits, and so forth, to be found daily in newspaper advertisements and word-of-mouth reports. Unfortunately, many valuable employees have already been lost, and others are leaving regularly.

That, I think, states very simply the nub of this whole problem and it shows clearly that not only the self-interest of the employees is involved but the interest of the Government and the country as

well. I, therefore, urge that the Committee adopt the Gubser amendment.

(Mr. SHELLEY asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Texas [Mr. THOMAS] is recognized for 5 minutes to close the debate.

Mr. THOMAS. Mr. Chairman, there is no disposition, of course, on the part of the committee or any member thereof to deny to anybody any increase to which they are entitled. This matter came up in the committee, and I think the Bureau of the Budget was correct in its determination of the matter. The Bureau of the Budget told the National Advisory Committee for Aeronautics to absorb that pay increase and, frankly, I think it can absorb it.

This committee has, in the 10 years that I have served on it, nourished the NACA and has encouraged it to grow. It now has about 8,235 appropriated jobs. There are vacancies, unfilled jobs, in the number of some three or four hundred.

The Bureau of the Budget merely told the NACA to go ahead and absorb that increase which is about five or six hundred thousand dollars. It could do that very, very easily. As a matter of fact, it has an appropriation for this year for salaries and expenses of in the neighborhood of \$75 million. To absorb that slight pay increase would be a very simple thing to do.

At any time in the National Advisory Committee for Aeronautics in its three big institutions in Cleveland, Ohio, in California and in Virginia, there will be vacancies in three or four hundred jobs. I think the truth of the matter is that today they have as many as 500 unfilled jobs. So there is no disposition on the part of the committee or of the Bureau of the Budget to do anything to delay the payment of this increase. It is due under the law, and they are going to get it. The NACA certainly can absorb it.

Mr. SHELLEY. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. SHELLEY. Will the gentleman admit that even though the employees get it, they will still be getting it 6 months short of the time at which they are entitled to it?

Mr. THOMAS. I do not think that for a minute.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. GUBSER. In a conversation with the NACA this morning, as I stated previously, it was announced that this pay raise would be effective June 16, which I think proves conclusively the statement made by my colleague, the gentleman from California [Mr. SHELLEY], that they will lose 6 months' pay to which they are entitled.

Mr. THOMAS. That evidence was not presented to the committee. I do not think the Bureau of the Budget is going to permit anybody to be robbed of their just and due payments. They certainly have the money and they can absorb this

amount, less than half a million dollars, out of an appropriation of some \$76 million. My guess is they will pay it. It ought to be paid.

Mr. Chairman, this matter was thoroughly considered by the Bureau of the Budget. It was considered by the committee. As a matter of fact, there was not even a budget estimate submitted to the committee for this item.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. GUBSER) there were—ayes 19, noes 42.

So the amendment was rejected.

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND: On page 5, after line 14, insert:

"HOUSING AND HOME FINANCE AGENCY
"Federal Flood Indemnity Administration
"Payment for Flood Indemnity Operations

"For payment of compensation for services rendered by private organizations and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Federal Reserve banks and public agencies as authorized by section 13 (b) of said act, and for payment into the disaster insurance fund in accordance with the provisions of section 7 (a) of said act, \$14 million, to remain available until expended."

(Mr. BOLAND asked and was given permission to revise and extend his remarks, and that Mr. FOGARTY be permitted to extend his remarks following the remarks of Mr. BOLAND.)

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment until I have an opportunity to look it over.

Mr. BOLAND. Mr. Chairman, the Federal Flood Indemnity Administration requested \$50 million by supplemental appropriation. My amendment provides a sum of \$14 million. This sum will make possible the purchase of \$3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The \$50 million recommended by Federal Flood Indemnity Administration comprised 2 major items: First, \$36 million for the Federal portion of the subsidized premium to be paid into a loss reserve fund—disaster insurance fund—which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribution to the loss reserve, it is anticipated that \$54 million representing premium income from policyholders will also be paid into the loss reserve fund.

Second, \$14 million, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business; expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

My amendment preserves the \$14 million.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis; that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss adjustment procedures, accounting and statistical rules, and other forms have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel and employ a large group of claim adjusters, whose time would not be fully utilized as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from \$1 to \$2.50 per \$100 of coverage on an 80 percent coinsurance basis. Within this range, the rates will be different in various parts of the country depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of \$25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two Industry Advisory Committees and have their concurrence as to reasonableness and marketability. These rates are calculated to

produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

First. The amount of insurance which can be sold to any person or corporation is limited to \$250,000 and \$10,000 on a dwelling and its contents.

Second. Flood-indemnity contracts will contain a \$500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

Third. A spread will be obtained by selling flood-indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply: namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood-insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

The administration has come up with a workable program, the program now before you. A failure to appropriate sufficient money to get the program started, of course, does not mean the death knell of this program, but it does mean this program will be delayed a considerable length of time. I hope that this amount will be voted by this House and by this Committee.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. FORAND. Mr. Chairman, I want to associate myself with the gentleman from Massachusetts on his amendment. I think there is merit to it. I believe it is about time we got this program off the ground. We have been working now since the hurricanes of 1955 trying to work up this flood-insurance bill. I know what we have is not perfect. I do not think anybody in this brief time can work up a perfect bill dealing with this problem. It is a very difficult problem, but I do realize, having lived through the floods as has my friend, and perhaps many other Members of the House, who

have had the same experience—we have lived through it and we realize that something has to be done. If the Federal Government does not subsidize this type of program, then the Federal Government will be paying out a greater amount of money in relief to the people who are stricken.

Mr. BOLAND. The gentleman is absolutely right. I appreciate his remarks.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. EDMONDSON. Is it the feeling of the gentleman from Massachusetts that this program in any way supplants or takes the place of the reservoir program to control floods?

Mr. BOLAND. No, it does not take the place of that. I think it implements it and helps it along. I think the problem we face today is the implementation of the authorization act which we passed in the last session of the Congress. Let me disabuse your minds in relation to the insurance companies. I think the private insurance companies have done a magnificent job in cooperation with Federal Flood Indemnity Administration in bringing up a program that seems to be workable and feasible. There is no bonanza for the private insurance companies here. All of the money which will be paid to them as operating expenses will be paid on a cost-reimbursable basis. But, they think this is an opportunity to get the program started. The program itself, of course, will last only until the year 1961. There has to be a recommendation of the Federal Flood Administration by that year to indicate whether or not this program is to be continued. If it is a good program, they will continue it. If it is not, we will terminate it. If it is a good program, it might very well be that the private insurance companies will get into the program that will render at least some measure of protection to the small homeowner and to the small-business man who cannot get this insurance anywhere. Even though there may be some statements to the effect that it is available, it is not generally available. This kind of insurance is not generally available to people who live in areas that might be impacted by floods.

Mr. EDMONDSON. I can see the advantage of this program in that it would take care of flood damages in areas where reservoirs could not in any way meet the problem. I am very pleased to help the gentleman on his amendment.

Mr. BOLAND. I thank the gentleman very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mrs. ROGERS of Massachusetts. I am heartily in favor of the gentleman's amendment. I think it is most vital to the areas where the flood protection has not really been more than started, for example, in the Merrimack Valley where I live and where it is vital for the people to have this protection, and because of the lack of the signing of the contracts

between New Hampshire and Massachusetts.

Mr. BOLAND. I appreciate the gentlewoman's observations and also her concern for the people of the Merrimack Valley.

Mrs. ROGERS of Massachusetts. The gentleman has done a very fine job, I would like to say.

The CHAIRMAN. Does the gentleman from Texas withdraw the point of order?

Mr. THOMAS. No, Mr. Chairman, we do not withdraw the point of order; but we are trying to look into it further.

The CHAIRMAN. Does the gentleman further reserve the point of order?

Mr. THOMAS. Yes; we reserve the point of order.

Mr. FOGARTY. Mr. Chairman, I rise in support of the amendment. Almost a year has elapsed since the Congress passed authorizing legislation to provide for a system of insurance against flood loss. Now just at the time when the system is to be finally put into effect we are faced with a move by the so-called economy bloc to kill the legislation by withholding funds necessary for its operation. That in a nutshell is the ultimate effect of the committee's action on this item. Once more we see the pattern, which has been so obviously apparent in several of the appropriation bills that have previously been before us, of eliminating beneficial legislation by the simple expedient of refusing to appropriate funds for effective administration of the law's provisions.

How soon we forget. How short our memories of the horrible devastation attending flood disasters—devastation which has an unfortunate habit of concentrating on the little fellow. For it is the little man who is particularly at the mercy of flood damage—the small-home owner and the small-business man. In my State of Rhode Island I know of instances where homeowners, in limited financial circumstances, have lost their property by water damage and yet are faced with paying off the mortgage which survives as a grim reminder of their personal tragedy. Again, I have had the experience of knowing small-business men whose credit became so impaired by flood loss that they were unable to resume operations again. To extend a helping hand to persons such as these, to spread a protective mantle assuring them against repetition of the crippling blow of floodwaters is, in my opinion, a charge which this representative body is morally bound to meet. It is certainly a duty which we owe to citizens in all communities throughout the country. I do not intend to be critical when I say that many times we can be so concerned over the welfare of people in other lands and with problems in areas outside our jurisdiction that we unwittingly neglect the welfare of the people of the United States.

Think back to the situation as it existed just 10 months ago. One of the finest accomplishments of the last session of Congress was the passage of this country's first flood insurance program. Because of the dire need, because of the terrible impact of flood losses on

our homeowners and small-business men as graphically proved before the standing committees, both branches of Congress quickly passed the necessary legislation and it was promptly signed by the President. Our action then had the end result of offering a ray of hope—a possibility of some economic protection—to those of our citizens who live and earn their livelihood in the flood areas.

And we must remember that these people, typical of whom are the residents of my own State of Rhode Island, have never been looking for a handout. It is not the nature of people in my part of the country, nor for that matter is it the nature of Americans generally, to be content with the mere hope that in the event of disaster the Government will furnish relief. It is rather their nature to try to sustain their economic position through insurance against loss by paying a fair and reasonable rate for insurance protection. But what can they do when such insurance is not available through private enterprise? Now that it is apparent that private insurance companies cannot underwrite either flood or natural disaster insurance, the responsibility falls on the Federal Government to meet the need of its people by embarking on a program of its own. And in carrying out this responsibility it should not be so doing with the thought of profit in mind. Rather than hoping to make a profit the Government should think solely of its obligation to promote the general welfare of its people.

The administrator of the Flood Insurance Agency, Frank J. Meistrell, has stated that the present denial of funds would effectively block the start of the insurance program. He has however indicated that should approval be given to the \$14 million provided for by this amendment he would at least be able to get the program into operation. That amount is absolutely necessary, according to the administrator, in order to cover the expenses of the private insurance industry in writing policies and adjusting claims.

Such, then, is the situation. As far as I am concerned it falls simply into a matter of being either for the flood insurance program or against it. Those who vote for the pending amendment are voting to extend to the American people that assistance which private industry cannot offer but which is so vital to their economic well-being. At the risk of being repetitious I again say let each of us stand and be counted. If we sincerely believe that the Federal Government has a responsibility to promote the general welfare, if we desire to support the recommendation of the President of the United States, and if we intend to stand behind the will of both branches of the Congress as expressed in the authorizing legislation, then the way to effectively combine all three is to vote for the pending amendment.

Mr. PHILBIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it would be a grievous, shortsighted omission on the part of the House not to implement the flood-insur-

ance measure adopted by the Congress last year.

The pending amendment, which seeks merely an outlay of \$14 million to put this vital program into operation, will enable the agency to go forward with ready plans to make flood insurance available.

There is nothing revolutionary about this program. It aims to protect flood-stricken people against the ravages of torrential visitations of nature which periodically throughout the country leave a sorry, tragic trail of death and desolation in their wake. One day it may be New England and the eastern seaboard, as was the case just a short while ago when a succession of fierce, tropical hurricanes poured torrents of destruction and devastation, suffering, misery, and loss of life and property over broad areas. Another day it may be in the South, or the Middle West, the Mountain States, the west coast, or the great Southwest, where just recently in the great State of Texas long-continued storms ravaged the countryside with death and disaster.

It would seem hardly necessary to have to argue the responsibility of the Federal Government to intervene with relief, reconstruction, and protection against future recurrence as well as that can be accomplished following the impact of these tremendously powerful and devastating storms. Time and time again, this Congress and this Government has moved, oftentimes with great dispatch and expeditions, to aid and assist afflicted people, communities, States, and areas. It is to our credit that existing laws not only authorize, but have set up very sizable funds to combat natural disasters and to provide flood-control projects designed to prevent, or at least to minimize, the occurrence in the time to come, of the great damage and suffering caused by ravaging floodwaters that sweep with ruthless destructiveness through settled communities and farmlands and many other places spreading catastrophe and ruin.

Congress has, to be sure, left some gaps in the overall program to cope with floods and natural disasters and some additional legislation is needed that I will not detail at this time.

It will suffice for me to state that flood insurance is a vital, urgent need, an essential, integral part of any worthwhile program to deal with the effects of major floods.

The funds sought by this amendment are modest and reasonable. But they will permit a start to be made on this necessary program so important to perhaps millions of Americans who may be from time to time tragically beset by swirling torrents of water inundating their lands, destroying their homes, and leaving their communities in a shambles of ruin and destruction.

It is not economy, my friends, to save a few million dollars at the expense of the pitiable, as yet, unidentified victims of future flood disasters. On the contrary, mindful of our duty and responsibility to the people, as we always are in the House, we are constrained to provide in a true spirit of humaneness for

the terrible contingencies of fate that from time to time leave so many of our fellow citizens prostrated and helpless against the fury of nature.

Let us adopt this amendment and thus round out another imperative bulwark of our overall flood-control program. I urge your favorable consideration of this fine proposal and trust it will be adopted by the House.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. SEELY-BROWN. I wish to join in the statement and associate myself with the fine remarks made by my upstream colleague.

Mr. PHILBIN. I thank the gentleman very much. He is always very helpful.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. LANE. Mr. Chairman, I also support the amendment to add \$14 million to this program, and associate myself with the gentleman who is now addressing the House, and also the gentleman who offered this amendment. Both of them have put in much time and effort on this flood control problem as far as Massachusetts is concerned. I know of no men who have put in so much work on this problem. They should be congratulated, and I joint with them in support of this amendment.

Mr. PHILBIN. I thank the gentleman very much.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. MORANO. I wish to compliment the gentleman on the fine statement he is making on this amendment, and I am supporting the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

Mr. PHILBIN. I appreciate the gentleman's statement. He is always very helpful.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(Mr. PHILBIN asked and was granted permission to revise and extend his remarks.)

The CHAIRMAN. Does the gentleman from Texas still reserve the point of order?

Mr. THOMAS. Mr. Chairman, I withdraw the point of order.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do not want the membership to think that this amendment is purely a New England matter just because so many New Englanders are advocating it. In 1955 the people of this country were shocked by the floods that occurred not only in New England and upper New York State, but also in Texas, Oklahoma, California, North Carolina, Florida, and many other parts of the country. As a result of these disasters the President visited personally many of these places and reached the conclusion that the country should give the people some protection against disasters of this character.

It is impossible to secure any private insurance company to undertake the

task, because there is now no experience to warrant or justify their taking the risk. The President has recommended this program as a substitute for the need of large relief appropriations, and the last Congress endorsed the proposal.

This amendment is here because of the advocacy and endorsement by the President, the administration, and by the bureau that would be in charge of the administration of the legislation.

I think we should adopt this amendment and appropriate the \$14 million so that we may have an opportunity of ascertaining whether it is feasible. It is hoped that this experiment will not be too expensive, and that after a few years it will be possible to write such insurance policies in the regular normal way. We should certainly aid a program that would make it possible for the people of America to protect themselves from disasters. You and I know how we felt when we saw homes washed away, business enterprises destroyed, people's life savings and futures wiped out. We were all sympathetic but that helps very little a ruined man. I hope this amendment will be adopted; that we will appropriate the \$14 million so that the insurance companies can go ahead and determine definitely whether such insurance is practical.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph be limited to 22 minutes, the last 7 to be reserved to the committee.

Mr. CANNON. Mr. Chairman, reserving the right to object, I ask to be recognized for 5 minutes right now.

Mr. THOMAS. Mr. Chairman, I amend my request to make it 27 minutes, 5 minutes to be allotted to the chairman of the committee and 7 minutes to the committee itself.

Mr. BARDEN. Mr. Chairman, reserving the right to object, I just had the State of Massachusetts throw a block at me. Am I to be allowed 5 minutes?

Mr. THOMAS. Mr. Chairman, I further amend my request to make it 32 minutes, the additional 5 minutes to be given to the gentleman from North Carolina [Mr. BARDEN].

Mr. CANFIELD. Mr. Chairman, reserving the right to object, may I ask how many are standing requesting time?

The CHAIRMAN. Fourteen.

Mr. CANFIELD. The time requested was 30 minutes?

The CHAIRMAN. Thirty-five minutes, as the Chair understood the request. Is there objection to the request of the gentleman from Texas?

Mr. CANFIELD. Mr. Chairman, further reserving the right to object, what was the request for time on the part of the committee itself?

The CHAIRMAN. The Chair was going to state that. As the Chair understands it, the gentleman from Texas asks unanimous consent that debate on this amendment and all amendments thereto be concluded in 35 minutes, the last 7 minutes to be reserved to the committee, 5 minutes of the time for the Chairman of the Committee on Appropriations and 5 minutes for the gentleman from North Carolina [Mr. BARDEN].

Mr. THOMAS. May I correct that. 5 minutes to the chairman of the full committee and 5 minutes to the gentleman from North Carolina. Mr. Chairman, I modify the request and ask unanimous consent that the time be fixed at 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. TABER. Mr. Chairman, reserving the right to object, that means about 2 minutes apiece?

The CHAIRMAN. Yes; with the exception of the gentleman from Texas, the gentleman from North Carolina, and the gentleman from Missouri. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I want the Members of the House to know that I am not interested in launching into a general Government-insurance program. I think this is an opportunity for us to do some very, very valuable research work. It is something which the Government is in a position to do and the private insurance people are not in a position to do. We do not have any history of the operation of this type of insurance that the insurance people feel would justify their entering into and offering to the general public insurance policies against losses which we seek to cover.

I remember the debate on this authorization bill, which many of you do. This is not a matter that affects one State or one small area. It reaches from Florida to Maine, including Massachusetts, Connecticut, and all points between. These disasters have resulted in destruction up and down the coast to an extent that it was most difficult for the people to even make a start to recover.

The policy of this Government has been to assist the people in distressed areas and certain other areas that were visited by such disasters as hurricanes. This cost the Government a tremendous amount of money—up into the hundreds of millions of dollars.

Mr. Chairman, in my opinion, it is the better part of wisdom for us to put this into operation in order to work out a practical setup so that the insurance companies will take it and go on.

Originally \$50 million was proposed. I would not vote for \$50 million, because I do not think at this time an appropriation of that size would be justified. I do not think I would vote for even half that much.

I do think that \$14 million will permit the program to get in operation to the extent that we can then have a practical operating program to offer.

Now, this is not a new idea, the fact that the Government seeks to do research work. And, that is exactly what this is. There is no need to attempt to arouse emotions about the horrors of a hurricane. I think we all understand it. Heaven knows I do. I had to swim out of one at 12 o'clock at night, and I was not the only one swimming. Now, I know that this bill is not going to stop

hurricanes, and you do, too, but I do say that where the people are willing to pay for the protection, as the American people are willing, if the program can be presented, a method for them to do so should be provided, and that is all I advocate. They are willing to pay the insurance premiums. What they are anxious for is a program whereby they can get protection.

I remember when the President went to Connecticut, and he did just as any of us would have done. That big heart of his said to the Chief of Engineers "Spend what money is necessary and take care of these people." They spent much more than this amendment covers in that particular area. I do not object to that. They needed it; they needed more than that up and down the coast. But, let us see if we cannot design and offer to the people a little bit better program than to say "Wait, and when it hits, then come to Congress" or send for the President, and let everybody guess at it. I think we should do something better than make just a broad guess of that kind.

Mr. Chairman, I hope the amendment will be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CANFIELD].

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Chairman, I am in support of this amendment for the reasons enunciated by the gentleman from North Carolina [Mr. BARDEN].

After the floods which New England experienced in recent years, the insurance deficiency for such purposes was dramatically called to our attention. The question of providing for such disasters was directed toward the possibility of coinsurance or reinsurance by the Federal Government. Efforts in this area finally culminated in the enactment of the Federal Flood Insurance Act of 1956.

It is readily agreed that this field of endeavor is new and necessarily experimental. There is, however, a great need, and if this amendment is adopted and a program inaugurated, we will have an opportunity to determine its feasibility and its reception.

While it might appear that this assistance by the Federal Government might be expensive, this judgment must be weighed in recognition of the fact that the Congress has repeatedly appropriated funds for disaster areas. Unquestionably, it will continue to do so. If this program is successfully implemented, the beneficiaries will make their own contributions and the Government will not be required to pay the entire bill.

There is only one way to explore this problem and that is to adopt this amendment and put the plan into effect. I urge its adoption.

(Mr. BATES asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Chairman, I rise in support of the amendment.

The Federal Flood Insurance Act which the amendment implements was enacted into law last July in the light of unprecedented floods in the cities and towns of New England in 1955, and in the light of disastrous floods in California and elsewhere.

It was enacted into law because the problem is national in scope and not confined to any one State or group of States, and because insurance against flood damage with private insurance companies is practically unobtainable at this time.

It was enacted to enable the people of the country to pool their risks and to meet losses from a common fund.

It was enacted to substitute insurance for emergency relief and charity.

The Federal Flood Indemnity Administration tells us that the program before us has been developed with the advice and assistance of the best insurance ability available in the Government and in the private insurance industry.

It tells us that all concerned are of the opinion that the program is a workable program, urgently needed, which will make the benefits of self-protection available to homeowners and small-business men.

It adds that it is prepared to enter into contracts with several thousand insurance carriers to act as fiduciary agents for the Government, and national claims adjustment organizations for the settlement of losses under indemnity contracts.

It tells us that it cannot conclude these contracts and begin operations under the act unless and until the funds carried by this amendment are made available for expenses to be incurred.

Mr. Chairman, the President of the United States is desirous of seeing the program put into effect.

The original budget request of \$50 million is reduced in the pending amendment to \$14 million.

To defeat the amendment is to kill or at best to defer the desired program for an indefinite period of time.

I believe the program should be given a fair trial. I hope the amendment will be adopted.

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. Mr. Chairman, I, too, support this amendment. The argument just made by the gentleman from North Carolina [Mr. BARDEN] is powerfully persuasive of the necessity of carrying out the provisions of the law adopted by a decisive vote in the House. The President's recommendations are fully justified and should be supported by all who voted for this law and who want to attack constructively the tragic problem of enormous losses suffered by those who are the victims of these dis-

asters. Those who wish to repeal this law should try to do so directly.

(Mr. HESELTON asked and was given permission to revise and extend his remarks.)

Mr. HESELTON. Mr. Chairman, I ask unanimous consent that the balance of my time be yielded to the gentleman from New Jersey [Mr. CANFIELD].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Mr. Chairman, I, too, am in favor of this amendment and for the very same reasons the gentleman from North Carolina is supporting it.

I regret that the appropriations on independent offices did not approve a supplemental appropriation request of the Federal Flood Indemnity Administration, and that that agency will be unable to issue flood insurance policies for lack of essential operating funds. Enactment of the Federal Flood Insurance Act of 1956 was one of the proudest achievements of the 84th Congress. It would be an extraordinary neglect of legislative responsibility, to say the least, if we failed to appropriate funds to make this law operative.

In the 1955 floods, the Fifth District of Connecticut suffered damages estimated in excess of \$100 million. Untold suffering was caused thousands of families and the businessmen and workers of the Naugatuck Valley who were completely without protection from this form of disaster.

With many of our colleagues in the House, I introduced flood insurance legislation as early as January 3, 1956. I supported and fought for the legislation that was subsequently enacted. This law must be made operative, and the flood indemnity program must be given a thorough trial to afford our people some measure of protection against recurring floods.

In Connecticut we are exerting every effort to install flood preventive works before the next storm strikes. But the hard fact we must not forget is that no flood protective works are ever 100 percent effective, and floods can and do occur somewhere in this country every season of the year.

Flood losses this year are already in excess of the damage caused in 1956, and we await the arrival of the hurricane season with great misgivings. Few sections of the country are completely secure from flood disaster, and it would be wrong to deny so many of our people the protection afforded by the flood indemnity program.

I have personally inquired into the steps which are being taken by the Federal Flood Indemnity Administration to make this program operative. With little experience to guide them, I believe Commissioner Frank J. Meistrell and his aids have formulated a workable program which can be put into effect as soon as operating funds are made available.

Under this program, any person can buy a Government contract on his home, farm or business property, up to prescribed amounts, at rates which may be from \$1 to \$2.50 per \$100 of coverage. The flood indemnity contracts will be sold and serviced by the private insurance industry which up to this time has been unable to make this form of protection generally available to the people.

I can think of no more economical way to operate this program than by using the personnel and facilities of the insurance industry, now in being, on an actual cost basis. This is what the industry has agreed to and it is convincing proof of their desire to make this unique experiment in insurance a real success.

If that can be demonstrated—that flood insurance can be sold on an economic basis—the whole program can be taken over by the insurance companies, and the Government will be relieved of the costs and risks involved. There is, consequently, a limit on the length of time the Congress will have to appropriate funds for this program.

The people of my district, particularly homeowners and businessmen of modest means, need and want flood insurance. Their need is shared by thousands of people who live and work along the great river systems of our country, and the exposed coastal areas of the Atlantic Ocean and the Gulf of Mexico. It is my earnest plea that the Committee of the Whole House on the State of the Union will recognize the urgency of this need and grant the appropriation for flood insurance.

(Mr. PATTERSON asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, there is one thing that the Boland amendment is not. The Boland amendment is not a device to provide some degree of aid for some foreign project. The Boland amendment providing for \$14 million to begin this flood insurance program is for Americans; Americans who down through the years have been suffering from the ravages of floods. It is not to build dams and it is not to build power projects in nations abroad. It is for our own people in our own 48 States.

I rise this afternoon, Mr. Chairman, to take issue with the action of my committee, the House Committee on Appropriations, in reporting the bill today without 1 cent to carry out the provisions of the law approved last year. The bill was passed by this House by a two-thirds vote and passed by a voice vote in the other body, later to be signed by the President. I do not think it is fair, considering the fact that the House Committee on Banking and Currency held weeks of hearings on this bill, for our committee today to say in effect, "We have reviewed the bill, we have gone over the law, we have held hearings, and we hold that you cannot have any money to implement this program." In other words, the House Committee on Appropriations is in effect exercising a veto over a bill enacted into law by the 84th Congress.

I was a sponsor and advocate of the Federal flood insurance bill in the last Congress. My State of New Jersey had

suffered from the same disastrous floods which had ravaged the eastern seaboard and I had been convinced that some better form of assistance and protection was required by our people. Flood insurance was the best answer devised by the Congress.

The insurance industry is fully supporting this program. The services of the experienced men and women of this industry and the use of its facilities have been made available to our Government on an actual cost basis. Imagine what it would cost the Government to try to duplicate these services on its own account. It just could not be done.

Mr. Chairman, we cannot provide this protection to the people of Texas and Louisiana who are now suffering from devastating floods. They must continue to depend upon public relief and the help of such fine agencies as the Red Cross. But we can make this insurance available to the people in all of the valleys of our country and along our exposed coastlines who may be the next victims of flood disasters.

Mr. Chairman, I have had prepared the following memorandum in support of this program:

The Federal Flood Indemnity Administration has requested \$50 million by supplemental appropriation. This sum will make possible the purchase of \$3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The \$50 million comprises two major items: Thirty-six million dollars for the Federal portion of the subsidized premium to be paid into a loss reserve fund (disaster-insurance fund), which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribution to the loss reserve, it is anticipated that \$54 million, representing premium income from policyholders, will also be paid into the loss reserve fund.

Approximately \$14 million projected under the Boland amendment, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business—expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis—that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry, various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss-adjustment procedures, accounting and statistical rules, and other forms, have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice

and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel, and employ a large group of claim adjusters, whose time would not be fully utilized, as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from \$1 to \$2.50 per \$100 of coverage, on an 80-percent coinsurance basis. Within this range, the rates will be different in various parts of the country, depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of \$25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two industry advisory committees and have their concurrence as to reasonableness, and marketability. These rates are calculated to produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

1. The amount of insurance which can be sold to any person or corporation is limited to \$250,000 and \$10,000 on a dwelling and its contents.

2. Flood indemnity contracts will contain a \$500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

3. A spread will be obtained by selling flood indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply; namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used,

it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

(Mr. CANFIELD asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CURTIN].

(Mr. CURTIN asked and was given permission to revise and extend his remarks.)

Mr. CURTIN. Mr. Chairman, this is my first appearance in the well of the House, and I am fully appreciative of the high honor involved in addressing this august assembly.

I appear before you today in support of the amendment to include \$14 million to implement the Federal flood indemnity insurance program. The committee has seen fit to delete the \$50 million budget estimate from this supplemental appropriation bill on the ground that the proposal for flood indemnity that has been presented to the committee is too indefinite and costly.

However, I come from a district which over the years has suffered severely from floodwaters and which last suffered from raging waters in 1955, just as many other districts suffered from the hurricane-caused damage of that year. Our people living in the path of these floodwaters suffered tremendous and complete losses, due to their inability to protect themselves adequately by privately financed insurance. In anticipation of such damage, because floods are not unknown in my district, many of them had tried to secure insurance protection before the last flood, but gentlemen and gentlewomen, private insurance is just not now available for protection from flood damage and rising water.

I am heartily in favor of the economy actions of the House so far this session and feel strongly that we should practice all economies that can be effected without jeopardizing necessary governmental functions. However, when one has seen self-reliant and industrious citizens, who are the victims of floods, standing in line to secure food and to secure clothing and have visited their homes in which all of their belongings have been either washed away or completely ruined and the houses either washed from their foundations or torn apart, and when it is further known that these people have tried to protect themselves, but have been unable to do so, then some sort of help is essential. These people do not want charity; they merely want the opportunity to purchase insurance.

The Federal Flood Indemnity Administration is charged with the responsibility of administering the Federal Flood Insurance Act of 1956. This act provides for the establishment of three programs designed to protect people from flood losses—the first is a direct insurance program, the second a reinsurance program, and the third is a loan-contract program. As I understand it, the money here requested is for the direct insurance program.

I feel that under these circumstances our Government is under an obligation

to assist people in helping themselves, to implement this direct insurance program so that they can purchase flood insurance. For this reason, I heartily support the amendment of the honorable gentleman from Massachusetts.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MOSS].

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

Mr. MOSS. Mr. Chairman, the distinguished minority leader stated that this was not a matter of interest only to New England. I think it has been abundantly demonstrated that this is a matter of interest to every section of the United States.

I have heard no one contend that there is a lack either of need or desirability for a program of flood insurance. We have been told that we should adopt, as a so-called substitute, a program of studied procrastination, in the hope, and I think rather a vain hope, that some better program might eventually be offered.

The fact is that a good program has been offered. It will take the test of time and experience to tell us how good or how adequate it is. But be certain of this, if we fail to obtain the Boland amendment there will be no program and no progress. This is an entirely new field, one where we must test the willingness of private insurance carriers to work cooperatively with the Government to develop a program of the type which the American people demand and for which they have a crying need.

My district in the period of about 2 months, in December of 1955 and January of 1956, suffered tremendous losses from floodwaters, damage which as of this moment is not fully repaired. It is always a shocking thing to see one's property destroyed, but there is an added feeling of hopelessness when the flood victim is unable to figure a means of replenishing or rebuilding that which was destroyed.

I urge support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am taking this time because I believe the Members of the House ought to have put before them what they are voting for.

We have before us at this time a proposal to start the ball rolling on the flood-insurance proposition. The \$14 million will give life to the administrative expenses in paying the fees of the people who solicit the insurance and the companies that handle the placing of it, and the other expenses incidental to it. But that opens wide the gate. Let me say to you that the law permits the borrowing of \$500 million a year and more if the President shall so direct, up to a total in 6 years of \$2 billion, so that you are opening the door wide for \$5 billion of expenditures in the nature of borrowings out of the Treasury.

To my mind, that is a terrific program. It is one on which we ought not to em-

bark with no more than we have been able to get so far in the nature of a program from the administration. They were given \$500,000 to work with. They have so far spent about \$150,000 of that and have a little over \$300,000 left. Why can we not do what the committee suggests, have them try to work out some kind of a square-toed program and submit it, with the rest of the money they have available, instead of embarking on this \$5 billion program?

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

(Mr. BOLAND asked and was given permission to revise and extend his remarks.)

Mr. GREEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. GREEN of Pennsylvania. Mr. Chairman, I join with my many colleagues in support of this amendment. This is a matter that the people of Pennsylvania and particularly the Governor of the great Commonwealth George M. Leader, who has displayed great leadership in this fight.

Pennsylvania was hit hard by the recent floods. Just to mention two sections that were hardest hit, Bucks County, New Hope, Newtown where there was considerable damage, and the Pocono's, Scranton, Stroudsburg where much damage and considerable loss of life occurred.

We must never lose sight of the fact that when one suffers we all suffer.

I had the honor of being appointed on the flood-insurance committee appointed by Governor Leader and serving on that committee under its able chairman, Bradford Smith, Jr., and the very capable insurance commissioner, former Member of this body, Francis R. Smith.

I would like to read the report of our committee sent to the Governor on April 18, 1957:

APRIL 17, 1957.

HON. GEORGE M. LEADER,
Governor of the Commonwealth of
Pennsylvania, Harrisburg, Pa.

MY DEAR GOVERNOR: This is the second report of your flood committee (first report August 2, 1956). It is made following a meeting of your committee as a whole in Philadelphia, April 15, 1957. Mindful of your desire to explore the possibilities of working out a program of insurance to be underwritten by the private insurance industry, the committee first addressed itself to this possibility. However, it soon became abundantly clear that the vast majority of the private insurance companies believe that specific flood insurance, covering fixed location properties in areas subject to recurrent floods, cannot feasibly be written as a private venture. On the other hand, the private insurance industry asserted its willingness to cooperate with Government in this area on a nonprofit basis. Your committee applauds the offer of the insurance industry to serve its Government without profit and also recognizes the offer as a proffer of proof of the sincerity of its beliefs concerning the feasibility of flood insurance and as evidence of its keen desire not to be found wanting in its efforts to meet the public's needs.

Your committee next turned its attention to exploratory studies made by the Department of Forests and Waters under Secretary Maurice K. Goddard. As previously re-

ported, these studies were limited to the Susquehanna River Basin because of the vast amount of detail involved and more importantly, because all of the necessary data was not available for the other river basins. Consideration of the data produced by these studies led the committee to believe that it showed promise of being useful as a basis for making flood insurance rates designed to reflect the measure of hazard in the several river basins, cities, towns, and even individual risks. However, the development of such a detailed system, designed to measure the hazard for each individual risk or even small groups of risks, would, we believe, become too costly to justify its use. A broader pattern of rates by zones or rather large areas seems much more feasible. We did not pursue these studies further because the enactment of the Federal Flood Insurance Act made them academic except to the extent that they may be used in assessing the cost to Pennsylvania and its citizens for the benefits of the Federal program.

Meanwhile, your committee has studied the numerous discussions and debates leading up to the enactment by the Federal legislature of its Flood Insurance Act of 1956, Public Law 1016. In so doing, it has become impressed with the seriousness of the problem and its many facets. Indeed the complications are such as to make it difficult to avoid overlooking some basic factors which may eventually be recognized as facts, although they are not provable at this juncture. For example, there is excellent reason to believe that even though a system of indemnity is available, only a few will buy, with the result that the Commonwealth will have the same social problem on its hands with nothing to alleviate it but the doubtful comfort of being able to chide the victims for not having purchased the available indemnity. Then there are such considerations as the following, which are quoted from a staff study made for the Committee on Banking and Currency of the United States Senate, and included in arguments against a Federal indemnity plan. They are:

1. Actuarial premiums are discouragingly high.
2. Without them, Federal subsidies are involved.
3. Those building in known flood-risk areas have probably paid little for the land.
4. Uniform charges would unwisely encourage use of floodable land.
5. Voluntary insurance would be plagued by adverse selection.
6. Excluding high-risk areas denies benefits where needed; including them induces a high premium or an unfairly distributed premium.

The foregoing is but a sample of the complexities of the problem. The more consideration we gave it, the more convinced we became of the importance of a statement made by Maj. Gen. E. C. Itschner, Assistant Chief of Engineers for Civil Works. It was made during his testimony before the Committee on Banking and Currency and appears on page 16 of the hearings before the committee. "Flood insurance is not a substitute for flood-remedial works. Flood control is positive, in that it preserves human life, reduces direct and indirect flood losses; abates the suffering, distress, and many tangible damages resulting from floods, makes possible flood-plain development for industrial and other uses, and contributes toward the development of multiple-purpose resource improvements—in other words, projects which not only take care of floods, but develop the resource for navigation, water supply, irrigation, power, and so on.

"Insurance on the other hand does not obviate or reduce damages done by floods, but only distributes the cost of flood damage over a larger number of people than actually suffer flood losses in a given time. Moreover, insurance would not provide compensation

for the large indirect and secondary losses, such as losses of wages and profits from interruption of business in commercial enterprises. Compensation would be further reduced to the extent that limits are placed on the coverage of direct physical losses where basic deductible amounts are provided."

Thus your committee has reached these conclusions:

1. Private insurance in the sense of actuarially correct premiums to meet the losses is not feasible.
2. Pending more complete development of flood-remedial works, there is substantial reason to believe that the problem is essentially one of relief because of the probability that even a heavily subsidized program of insurance will fall far short of solving the problem of rehabilitating the victims.
3. Money spent for wise flood-remedial works will bring greater returns and greater economies than will the same money spent on insurance subsidies.

Regardless of the foregoing, your committee must also consider the position of the citizens of the Commonwealth in the light of the benefits of the Federal Flood Insurance Act, which are soon to be made available. The provisions of this act have been reviewed, together with a special report on its activation secured by your chairman in an interview with Commissioner Frank J. Meistrell of the Federal Flood Indemnity Administration. It is noted that in addition to bearing the cost of administration, which will be considerable, the Federal Government will also subsidize the actuarial cost of the program to the extent of 40 percent until June 1959, and 20 percent thereafter. It would, therefore, seem wise to make this program available to the citizens of our Commonwealth.

In order to be assured of participation in the program there are certain things to be done by the Commonwealth and by our local governments. First, the act provides that after June 30, 1958, no insurance, reinsurance, or loan contracts shall be issued in any geographical location unless an appropriate public body shall have adopted and shall keep in effect such flood zoning restrictions, if any, as may be deemed necessary by the Administrator to reduce within practical limits damages from floods in such location. As of this writing we are unable to forecast what flood zoning restrictions may be required by the Administrator, and indeed he has not as yet promulgated rules of this nature. Thus, we are not in a position to make specific zoning recommendations. Based on conversations with the Administrator, we are hopeful that this section of the act will be interpreted liberally and with consideration for those States and local governments making a sincere effort to comply. As a preliminary step, the Office of the Attorney General has informed the committee that legislation has been introduced in the general assembly to empower all municipalities to adopt flood-zoning regulations. Moreover, your committee is pleased to note that Pennsylvania is in a position of leadership in studying the flood plain zoning problem. The following quotation is taken from a recent speech by the secretary of forests and waters:

"As a result of discussions between State and Federal officials, a cooperative agreement has been signed by the Pennsylvania Department of Forests and Waters and the United States Geological Survey for a pilot research study concerning the flood-plain zoning problem. The study will be confined to the hydrologic aspects and will not include the actual formation of zoning ordinances. Our aim is to formulate a manual of techniques which will show those agencies responsible for preparing zoning ordinances how to evaluate and use available hydrologic data. I believe our study is the first such

study to be started by the Geological Survey and I am pleased that Pennsylvania has the hump on the other States in this regard."

The second requirement of the act may be difficult to comply with. Public Law 1016 provides for a subsidy of 40 percent by the Federal Government on all insurance policies issued prior to July 1, 1959. On policies issued on or after that date, the subsidy will be divided equally by the Federal Government and the participating States. Participating States will make such contributions only on insurance policies issued by the Administrator on property within their own borders. On and after July 1, 1959, insurance policies will be issued only with respect to property in those States which participate. While we are informed that there is a strong movement on foot to eliminate that part of the act requiring participation by the States, and participation by the State is not required until June 1959, your committee urges that the attorney general study the question of what legislative or constitutional action may be necessary to enable Pennsylvania to participate by putting up its half of the subsidy.

Your committee makes these two additional recommendations:

1. The appointment of a working committee to cooperate with Federal Government officials in making the benefits of the act available to the citizens of Pennsylvania. We suggest that the committee be composed of officials from each of the departments of Government whose area of interest will be affected to the end that proper and desirable coordination will be realized at the State level. Since the majority of the problems have to do with insurance, it is further suggested that the commissioner of insurance is a logical choice for chairman of this committee.
2. That the Governor call a conference of mayors and local officials in Harrisburg for a discussion of the problem and to make plans for launching the program. It is suggested that the United States Senators and Members of the House of Representatives from Pennsylvania be especially invited to attend. Commissioner Frank J. Meistrell, of the Federal Flood Indemnity Administration has said that he would appear before such a meeting to explain the program.

Respectfully submitted,
BRADFORD SMITH, Jr.
WILLIAM J. GREEN, Jr.

I would now like to read a telegram received from Gov. George M. Leader, strongly urging and supporting this measure:

HARRISBURG, PA., May 2, 1957.
Hon. WILLIAM J. GREEN, Jr.,
House of Representatives,
Washington, D. C.

A year ago I appointed a committee of distinguished Pennsylvanians to study the possibility of flood insurance. Recently that committee filed its second report with me.

Insurance Commissioner Francis R. Smith, a member of this committee, informs me that the House Appropriations Subcommittee recently rejected a request of the Federal flood indemnity administration for \$50 million with which to pay subsidies. The subcommittee voted only sufficient funds to keep the Federal flood indemnity program in being as a study group.

Since the full Appropriations Committee is slated to consider the supplemental money bill at this time, I strongly urge and recommend that the Pennsylvania delegation give this all-important matter their immediate and personal attention. This program should not be destroyed by a pennywise, pound-foolish philosophy. This, to say the least, is false economy at its worst.

GEORGE M. LEADER,
Governor of Commonwealth of
Pennsylvania.

And my answer to Governor Leader:

WASHINGTON, D. C., May 3, 1957.

Hon. GEORGE M. LEADER,

Governor, Commonwealth of Pennsylvania, State Capitol, Harrisburg, Pa.:

The Committee on Appropriations reported out supplemental appropriation bill this morning. It carries only sufficient funds to keep Federal flood indemnity program in being as study group. Every effort will be made to amend bill to include \$50 million for subsidies when the House takes up this bill on Tuesday.

WILLIAM J. GREEN, Jr.,
Member of Congress.

I hope the membership of this House will support this amendment.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BARDEN. Mr. Chairman, I would like to make this statement. Many of us who are interested in the program conferred with the chairman of the subcommittee. I do not know when I have made a request of any chairman of a subcommittee who was more considerate. The members of the committee were most considerate. We have all approached this from the point of view of it being a very serious matter. I delight in the chairman's attitude on this floor. I like the way he transacts business. I appreciate his thoughts of economy. I do want to say this word, that this matter has been approached very cautiously and very carefully with the idea of trying to help solve this problem.

Mr. BOLAND. We all join with the gentleman in those sentiments.

Mr. DONOHUE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

(Mr. DONOHUE asked and was given permission to revise and extend his remarks.)

Mr. DONOHUE. Mr. Chairman, I rise in support of this amendment to provide a very reasonable amount of money to initiate the operation of the Federal flood insurance program that was authorized by this Congress in the last session.

At that time, when this body was most conscientiously concerned about the fantastic damage, not to mention the loss of life, caused by these too frequent natural disasters, we authorized the creation of a Federal flood insurance program and made practically a moral pledge to provide funds to carry out its operation.

In recognition of the terrible economic hardships that have been, are now, and will inevitably be again visited upon great numbers of American families and taxpayers, because of raging floods, and, in reliance upon the obvious intent of Congress, the President recommended an appropriation of \$50 million to initiate the insurance program.

While it was admitted in previous discussions, and is admitted today, that there are indeed many difficulties in the way of creating a reasonable, workable program, these technical objections cannot sensibly justify the elimination of the program entirely.

Obviously, we will never find a commonsense and practical solution of this problem if we do not make a beginning.

It is recognized that private insurance companies cannot, at this time, undertake to assume these gigantic flood risks by themselves. However, it was reasonably expected and virtually promised that once a Government program had chartered the way, as has been done in a great many other instances of American progress, private companies would then participate in it and help to eventually work out an economically acceptable plan.

I earnestly believe that it would be an unfortunate mistake, both from the humane and economic standpoint, to let this program go by default.

It is true that all of us are determined to be as economical as we can in reducing the budget and eliminating unnecessary expenditures. Nevertheless, the fundamental basis of rigid economy is the balancing of the value received for the money spent. It seems to me, in the face of astronomical proposals for foreign assistance, that money appropriated to prevent heartsickening and soul-discouraging economic hardships from disrupting major numbers of American taxpayers and American communities by uncontrollable natural disasters is the best type of fundamentally sound economy and patriotically inspiring action.

The reduced and relatively small amount of \$14 million suggested in this amendment is in keeping with our real desire to hold expenditures to a minimum and the promise of return to the American taxpayer, in spirit as well as in partial insurance reimbursement, guarantees this appropriation to be an essentially wise and sound investment. I earnestly hope this amendment will be approved as a first step in providing the American people with a reasonable and economic flood insurance program that is vitally needed.

Mr. BOLAND. Mr. Chairman, I take this time only because I recognize the fact that the final speaker on this amendment will be the very able and distinguished gentleman from Texas. And his persuasive and pleasing personality could very well sabotage and submarine this particular amendment. I do want to leave this thought with you, however. There is no danger of a \$3 billion or \$5 billion loss under this bill. The estimated average annual loss for the Federal flood indemnity administration will be \$90 million. Where do we get the \$90 million? We get \$36 million in direct Federal subsidy. Forty percent of the premiums that the insured pays will be paid by the Federal Government. This is no wonderment. Everybody who voted for flood insurance last year knew of the situation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. TABER. Is it not a fact that the Federal Government has to pay all of the losses?

Mr. BOLAND. That is the fact, but the fact also is that the losses will not occur to that extent all over the United States at any one particular time. I think commonsense dictates that answer.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. McCORMACK. I join with all my colleagues in supporting this amendment. It is a very important matter. It seems to me that a system of disaster insurance is of vital importance to the entire country, if we are ever going to have such a system, the Government must participate therein by taking the initiative and going through the experimental stages. I recognize my friend, the gentleman from Texas, is a very able debater. He must recognize the fact that the \$14 million amendment offered by the gentleman from Massachusetts represents a \$36 million reduction from the budget estimate. I hope the charm and eloquence of my friend from Texas will be resisted and that the amendment offered by the gentleman from Massachusetts will be adopted.

Mr. BONNER. Mr. Chairman, now that I am going to have a little say, I am delighted that the legislative committee, which I stated this morning, approved this program. The House has approved it. The other body has approved it. It is the law of the land. Here just a few distinguished men want to nullify the act. Able men have been called in to work out a program. The brains of the insurance business of America have been called in, and they have a program. Nobody can come here and say that there is not a program. This is a program. It is a trial program. It has not been proven, but if we will give it this opportunity, we hope it will prove successful. If it is not successful, then, we will know what to do with it. If it is successful, we will turn it over to private business. I hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SCUDDER].

(Mr. SCUDDER asked and was given permission to revise and extend his remarks.)

Mr. SCUDDER. Mr. Chairman, I rise in support of the Boland amendment because I believe something must be done to cope with the flood conditions that we have periodically had in this country.

On Christmas Day 1955, I left Washington with a group of engineers for the Pacific coast to investigate the devastation that had been brought about through the flood conditions. The sight we witnessed was almost unbelievable, property destruction was terrific—losses ran into millions of dollars. I discussed the possibility of flood insurance with Gov. Val Peterson, the Administrator of FCDA at that time. I believe we should have some avenue by which we could combat such a situation.

I introduced one of the bills to provide for a cooperative plan to write flood insurance, feeling we could develop a plan where insurance companies and the Government could take care of this need. I am sorry that we did not come out with a better report, because I believe we can develop insurance that will be feasible and practical. This amendment calls for \$14 million to start the program. It does not mean that we are setting up a charity program. I understand the minimum premium that has been so far developed

calls for a premium of \$10 per thousand. This would mean there would be a large premium income to the Federal agency. The experience could result in a reserve building up to a point where it would not be a liability. The success of such a venture would largely result from the proper management and type of policy issued.

If losses were small for 2 or 3 years we might have a surplus development and no further appropriations would be necessary. Also we will develop experience as the program operates.

I appreciate very much the remarks of my friend, Mr. CURTIN, in his statement regarding the necessity of this program, because I know they have suffered great losses in Pennsylvania as well as other parts of the United States. This program is experimental in a way, but it does not take much of a flood to make one realize we have a definite problem, if we do not come up with a reasonable insurance plan, we are going to have to pay a lot more money for disaster relief.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York [Mr. OSTERTAG] is recognized.

Mr. OSTERTAG. Mr. Chairman, I am sure we all recognize that a year ago we enacted a law which was experimental by its very nature and in attempting to arrive at some means by which relief could be afforded flood-stricken peoples. This law was enacted or passed without a record vote and I am sure that considerable doubt existed at the time as to whether it was a sound and practical solution. But the question arises today as to whether or not this law can be implemented and can be made to achieve its purpose. I think we ought to realize that it is not a question at this moment of whether this amendment calls for \$14 million or \$140 million. The point remains that the moment this money is made available, the Federal flood indemnity administration is in business, and the moment they are in business the door is automatically open for unlimited borrowing and expenditure of funds, without the use of direct appropriations on the part of Congress. The committee in its wisdom recommended a continuation of the study. I should like to call attention to the fact that the testimony before our committee proved conclusively that they have not yet arrived at any conclusion with regard to rates. Two rating systems have been advanced, but none has yet been adopted.

Secondly, we must bear in mind that these flood-stricken areas of the past are only going to be protected to the degree that they participate in the insurance itself. Rates are estimated to range from \$1 to \$12 per \$100 although it is very doubtful that it will rest within this area. And too, the administration is authorized to underwrite \$3 billion in insurance and \$2 billion more if approved by the President. There are certain limitations as to coverage; however, it is important to note that those who have been studying this matter have abandoned the programs or plans for reinsurance and loan contracts.

The direct plan calls for Federal support of 40 percent of premium cost al-

though it is a certainty that the Federal Government will be responsible for all losses.

Insurance carriers throughout the country have refused to embark on such a monstrosity and we are a long way from a solution. This could cost the taxpayers billions and billions without any idea where the program is really headed. No insurance can be issued without zoning and the areas to be covered and the law also calls for State participation. If a State fails to agree to meet its share of the subsidy contribution, then no person or property in that State can be covered after June of 1959.

The CHAIRMAN. The time of the gentleman from New York has expired.

(Mr. OSTERTAG asked and was granted permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

(Mr. BENNETT of Florida asked and was given permission to revise and extend his remarks.)

Mr. BENNETT of Florida. Mr. Chairman, for a great number of years Florida has experienced problems of this type. I was very happy when I realized that substantial assistance was going to come from a broader base than we have had in the past in seeking an answer to this problem. The Congress has enacted this legislation after full debate. It came to the decision that legislation of this type should be enacted, and it seems to me it would be a backward step to turn back from this now.

The problem involves many States. No one State can solve it. Admittedly, private enterprise cannot solve it. The only question is whether private enterprise and the United States Government together can solve it. I feel the investment of Federal funds will be returned many times in the stability that will be given to home ownership and industries along the coast in places where floods of this type occur or may occur.

The CHAIRMAN. The gentleman from North Carolina [Mr. FOUNTAIN] is recognized.

Mr. FOUNTAIN. Mr. Chairman, I rise in support of the Boland amendment. I think the amendment has been pretty thoroughly discussed and I would not rise to speak at all except for the fact that I was a member of the legislative committee—the House Banking and Currency Committee—during the 2d session of the 84th Congress when the basic legislation authorizing flood disaster insurance was passed by a very substantial majority both in the committee and in the House. That committee studied this matter very carefully. It heard a number of witnesses from all over the country. Many of the witnesses were experts in the insurance field and representatives from insurance companies. All of the testimony taken showed conclusively that flood insurance against damage to real property is not now generally available from either private or public sources. We recognized the great need for this kind of insurance protection, and yet it was not available.

As a result of our hearings, we on the House Banking and Currency Committee concluded that here was a case where the people had no opportunity to provide protection for themselves—thus presenting an opportunity for the Government to undertake a pilot program which might eventually lead to the assumption by private insurance companies of responsibility for covering the risks of damages from flood. We concluded that the only way we could find out whether or not the program would be practicable and workable was to try it. We realized that the Government would be blazing the trail, that it would be embarking upon an experimental program. However, a study of all the facts and circumstances convinced us that action of some kind needed to be taken.

Of one thing we can be certain. If the program is properly implemented with adequate funds, the Commissioner of Insurance must still make a continuous study of the feasibility of turning the entire flood-insurance program over to the private insurance industry. In his annual report for the year ending December 31, 1961, he must express his opinion as to the advisability of a continuation of this program. Apparently the Appropriations Committee does not agree with the action of the 84th Congress. It seems to me that we are presented with the simple question of whether or not we are going to support the position taken by the 84th Congress, which authorized flood disaster insurance, or the position taken by the House Appropriations Committee during this the first session of the 85th Congress in refusing to provide funds necessary to implement the proposed program.

I believe I prefer to back up the 84th Congress and the position which I took as a Member thereof when the basic legislation was passed.

If a pilot run or trial test of the program shows it unworkable or too expensive, it should then be repealed, it should not be killed in the manner proposed by the Appropriations Committee.

(Mr. FOUNTAIN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Louisiana [Mr. BROOKS] is recognized.

Mr. BROOKS of Louisiana. Mr. Chairman, I rise in support of this amendment. I know it is experimental, I know it is just a beginning, and I know it is not a program that will take the place of a flood-control program, but I think it is worth a trial, and this will give us the trial.

In my own State at the present time we are in the throes of a serious flood. My State today is carrying the water of other States, channeling them through our State on the way to the Gulf of Mexico. My State is carry the waters of the States of Arkansas, Oklahoma, Texas, and Colorado, carrying them down to the sea, piling them up into the waters of the gulf; and on the way down those waters are spreading out over the landscape, inundating the farms, de-

stroying cattle, destroying property, and creating heavy damage.

It is going to take time and effort on the part of our people to repair the damage that is now being done by the floodwaters of other States that are coming through our own State of Louisiana.

I know, Mr. Chairman, that this program of insurance will not take the place of flood-control work; we are still going to have to have flood-control levees, we are going to have to have channel improvements, we are going to have to have reservoirs for the impounding of the floodwaters of other States that come down to us, but still I think the program is worth a trial and that we should support the amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, of all the unjustifiable amendments that could be offered this is the most unjustifiable.

The United States is loaded with insurance people. There are insurance companies everywhere. There are insurance underwriters and insurance agents all over the country. Their advertisements are in every newspaper and magazine. Their dodgers are in every doorway and every mail that comes in brings their circulars. They will insure you or anything you have—your house, your dog, your car, your wife, or your glass eye. They will insure you against anything you might suggest—fire, hail, tornado, or twins.

They will insure you against anything in the world, except one thing. They positively will not insure you against floods. You cannot get flood insurance anywhere or under any circumstances. That is the one single exception.

Why is it that with all the multiplicity of insurance companies, so aggressive—so eager for business—they draw the line at flood insurance?

The answer is very simple. There is no money in it. But there is in it the absolute certainty of loss—high, inevitable losses. There is no alternative.

So the insurance companies will generously turn over to Uncle Sam all the losses. Uncle Sam is the goat. He holds the bag.

But who is Uncle Sam? Why, Uncle Sam is the taxpayer. Of course. Load the losses on the taxpayers. It is an old game.

That is what this amendment means. That is what this amendment does. That is what you are voting on here. Call the roll and see who is voting to shift this outrageous billion dollar burden on the already overloaded shoulders of the taxpayers.

But this amendment goes deeper than that. It strikes at another fundamental principle with which the Members of the House are much concerned.

Every Member who has spoken here today in favor of his amendment—all who are waiting impatiently for the roll-call—have shouted themselves hoarse decrying Government in business. They are fundamental believers in private initiative, in private enterprise, in taking the Government out of competition with private business.

But suddenly, and inconsistently, they have reversed themselves and they are now hot to put the Government in business—the insurance business. Gone and forgotten is the horror and dismay they have so frequently and so vociferously expressed at the idea of the Government in a profit-making business in competition with private industry.

Much has been said here about experiment and research. It is a fine mouth-filling word—"research." But this is not research. It is not an experiment. We tried this out before the Second World War.

As a member of the Subcommittee on Agriculture I reported out a crop-insurance bill years ago and we kept it and tried it out for 4 years. The reason it failed—with huge losses to the Government—was that farmers who knew their land would be inundated 4 years out of 5 would plow a little and sow a little and then let the water take it. They made more money out of the Government insurance than they made the best crop years they had on their upland where the overflow could not reach them. Of course they never insured those crops. It was only down where inundation was certain that they applied for policies. And Uncle Sam lost plenty. Just as Uncle Sam and the taxpayer will lose plenty here.

Everybody knows when and where the flood will hit. And everyone knows what areas are safe from flood. They will insure on the flood plane and they certainly will not insure where there is no danger. The insured cannot fail to win in a game like that. And Uncle Sam and the taxpayer cannot fail to lose. No game with loaded dice and a marked deck was ever a surer shot than that.

Someone mentioned charity. This is the precise word—"charity." They say houses are swept away and women and children endangered. This bill will not save a single house or a single woman or child. We will still have the floods. The only difference is that Uncle Sam and the taxpayers will supply charity. Let us keep Uncle Sam out of the charity racket. Let us keep Uncle Sam out of the insurance business. Let us keep the Government out of competition with private business. Let us stop these crazy appropriations and lower taxes.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, let me reason with the House for 2 or 3 minutes. I am in the same boat and maybe more recently than my friends from the New England States and from the Carolinas, because my country is flooded today. But, it is not the first time. It has been flooded hundreds of times before today, and I am sure that it will be flooded many more times in the future.

I regret that I find myself in opposition to my genial and lovable friend from Massachusetts, our colleague [Mr. BOLAND]. But, if we pass the Boland amendment for \$14 million, you have put the Government in business, and as far as I am concerned, we ought to go on and do what we should do, perhaps, and increase the amount to \$50 million or

\$100 million. The Bureau of the Budget's first whack at it was \$100 million for this year. Did you know that? Then they reduced it to \$50 million, and now my friend from Massachusetts wants to let the camel get its nose under the tent for \$14 million. For what? He does not even include the administrative costs for the Government in that, and you will be back 30 days later for an additional appropriation.

Now, this pays the insurance companies for doing what? For the very same thing that they have said for 100 years that they decline to do, "We have declined to go into this business because it is a losing business, and we want no part of it as far as the loss is concerned, but you pay our companies a fee"—and that is what the \$14 million is for, and that will not even be a starter for them—"and we will do it for you. You pay the bill. You pay it—the taxpayers."

Now, why should we, the taxpayers, embark on a program after 100 years that these insurance companies have failed and refused to do? Why? For just one good reason. We talk about private enterprise. That is private enterprise. They say it will not work. They say "We can't stop the floods by legislation." And, when we have floods, we are going to have damage.

Now, there is \$325,000 available to the Housing and Home Finance Agency to try to work out a program. Let them have that \$325,000 and let them keep on working and see if they can come up with something. If they do not come up with something better than this, Lord help us all.

Here we are trying to save a few dollars. Here we are trying to get the Government out of business on the one hand, and on the other hand we push them head over heels into business. Poor old Uncle. And, what is it going to cost him? What is it going to cost all of us? If you can tell from this bill, the way it is written, I frankly admit you are much better than I am, and, frankly, I will not brag too much about you on that. I have worked recently on it to find out how much it will cost.

Now, listen to me, and if you have the bill before you, please follow it. Section 7 (a) says that the commissioner shall set rates for premiums that will pay the Government all losses. Did you know that? The man who gets the benefit is going to pay for it, so the act says. Yet, you go away down below, section 15 (e) of the act, and it says that the commissioner can run over to the Secretary of the Treasury and bypass the Congress and get \$500 million. Five hundred million dollars—is that all? Read the act, section 15 (e).

"Plus"—get the "plus"—"any other amount of money that the President may authorize."

So it is unlimited. But I must be frank with you. The act is very ambiguous.

One section says that the amount of insurance that can be outstanding at any one time is a small, paltry sum of \$5 billion. So I presume that any good administrator would limit the amount of Treasury borrowing to a cool \$5 bil-

lion. And how often? Every 12 months. Five billion dollars every 12 months. Now, think about it.

And this is no new program. This committee and the House have studied this problem several times, the last time when we had a terrible flood in the Missouri Valley, which flooded out Kansas City. The property of all of our friends was washed away and they suffered terrible damage in the millions of dollars. The distinguished gentleman from Arkansas [Mr. NORRELL], and his committee, made a fine study of that. That was back in 1951. And they made a very able report.

May I read you just a part of that report? They had all the big insurance people present. I shall not name them here, but they are named in the report. And they said, "No, gentlemen, excuse us; we have been in this business for 100 years, but we do not want any part of it. It will not work." That was 1951. I suppose it might work now in 1957. But let us read what this report said:

In their testimony these witnesses discussed the following problems and difficulties which the committee is convinced must be resolved before any flood insurance program such as is proposed here could be carried on successfully.

Property insurance of any kind is based upon the principle that the contributions of the many take care of the losses of the few. The reason why insurance companies have not been able to write insurance to protect property owners from flood damage throughout the country is that experience has indicated that flood insurance is sought only by those who are exposed to floods. Consequently, it is not possible to spread the risk sufficiently to avoid such high premiums, if the program is to be self-sustaining, that a property owner in the danger area would prefer to take his own risk.

The average annual losses from flood damage in the United States have been estimated anywhere from \$100 to \$500 million, depending upon the definition of flood damage. The estimated property loss in the Kansas-Missouri flood is \$2½ billion or about equal to the total value of the free assets of the stock insurance companies which write property insurance in this country. Losses of these proportions immediately raise the question of the adequacy of the \$50 million requested—or even \$500 million.

In other words, this flood cost \$2½ billion. Think of that. Suppose this act had been in effect then. Suppose \$2 billion was covered—well, let us suppose \$1 billion was covered. Under the premiums of \$3 a hundred they would have collected \$150 million and you would have a deficit in the Treasury of this country of \$900 million for that one flood.

Mr. Chairman, this amendment ought to be voted down. Let them spend the \$325,000 that they have for further study. That is the sensible thing to do. The taxpayers of the country cannot stand this right now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

The question was taken; and on a division (demanded by Mr. BOLAND) there were—ayes 86, noes 127.

Mr. BOLAND. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BOLAND and Mr. THOMAS.

The Committee again divided; and the tellers reported that there were—ayes 97, noes 127.

So the amendment was rejected.

The Clerk read as follows:

VETERANS' ADMINISTRATION

Inpatient care

Notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1957, inpatient care and treatment may be furnished to an average of 140,100 beneficiaries during the current fiscal year without any proportionate reduction in expenditures.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Committee of the Whole House has refused to adopt an amendment which would put the Government into the insurance business. I take this time to announce that very shortly you will have before you a bill to really put the Government into the indemnity insurance business on atomic reactors. Each one of these reactors will obligate the Federal Government to indemnify against accident to the tune of \$500 million at a total premium of \$18,000 or \$36 per million dollars. One reactor, \$500 million; 10 reactors, \$5 billion; 100 reactors, \$50 billion. I just take this time to call the attention of the membership to the fact that you will really get the chance to put the Government into the insurance business.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. GROSS. Are we going to have the same indemnity for these reactors that go to foreign countries?

Mr. HOLIFIELD. Yes, that will come later. That is not in the bill that I am referring to, but that will be the next request—to indemnify against any casualty or liability for human life and loss of property with reference to reactors which are built and exported. That will be the next request.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. ROONEY. Can the gentleman inform the Members where these ideas originate?

Mr. HOLIFIELD. They originate in different committees and with different people. I am going to be against this particular excursion into the multi-billion-dollar insurance business, but I am going to be pretty lonely. I am going to be pretty lonely. No, no; you fellows will all get your orders and you will walk down the aisle. You will get your orders.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HAYS of Ohio. As I understand, the private power companies will get the Government technical know-how and they will be allowed to make a profit, but if there is any damage or any loss, the Government gets the privilege of paying for the damage or the loss.

Mr. HOLIFIELD. That is when we get ready to pay \$500 million in damages and

the insurance companies will pay up to \$50 million in damages.

For the \$50 million the private insurance companies will charge \$250,000 premium for a certain type of reactor, but when the Government takes the \$500 million indemnity in addition to that, the insured will pay \$18,000 for the \$500 million.

Mr. GROSS. I hope the gentleman will also be against building reactors in foreign countries.

Mr. HOLIFIELD. That is right.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. JOHANSEN. I would like the record to show that I am not giving or taking any orders.

Mr. HOLIFIELD. I will wait and see how the gentleman votes. I am sure the gentleman is independent and will vote as he sees fit, but this will be thoroughly discussed and you will be surprised how many arguments will be raised to put the Government into the insurance business, not up to its knees but up to its eyes.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COLE. Mr. Chairman, I move to strike out the last word.

In view of the fact that the gentleman from California [Mr. HOLIFIELD] has raised the red flag in the minds of those who are now thinking about Federal activities in the insurance business, I take this time only to assure you that what he says is not entirely correct. I will not undertake to explain the purpose or the terms of the atomic reactor indemnity bill, because this is not the time or the place for it. I only ask that you do not close your minds at this moment and be swayed by the impetuous appeal that has been made by the gentleman from California [Mr. HOLIFIELD]. I think it is not disclosure of confidential information to say, that while he did oppose the bill last year, he was the only Member who was opposed to the bill. This year he did not resist reporting out the bill, although he undoubtedly is still against it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Contributions to international organizations

For an addition amount for contributions to international organizations, \$4,169,409, of which \$3,333,000 shall be available for payment to the United Nations as contributions for the United Nations Emergency Force.

Mr. GROSS. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 11, line 24, strike out "\$4,169,409" and insert "\$172,809."

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, this amendment would strike out \$3,333,000 as the United States contribution to the United Nations for the support of the so-called police force, plus \$666,600 for the U. N. working fund, I believe it is

called, of the United Nations, for a total of \$3,999,600.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to my friend from New York.

Mr. ROONEY. Was the gentleman's remaining figure \$172,809?

Mr. GROSS. That would seem like the figure, yes, \$172,809.

Mr. ROONEY. I think the gentleman is inaccurate in his mathematics. If he were to take away the \$3,333,000 and the \$666,600, the balance would be \$169,809.

Mr. GROSS. That is close enough, that is closer than the United Nations ever comes to making a contribution to anything it ever starts.

Now for the benefit of those who were not here earlier—

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Not at this point.

For the benefit of those who were not here earlier this afternoon, I want to point out that we have already, as a result of this Middle East fiasco, put in approximately \$12 million in supplies for the so-called police force, for air transportation, and cleaning out the Suez Canal.

I cannot find it of record anywhere that any other country has put up one thin dime, including Russia, to the support of this so-called police force. I am sure Britain and France have not if the hearings before the subcommittee are to be believed; the British, the French, and the Russians, nobody has put any money into this fund for the support of the United Nations police force in the Middle East except the United States.

As far as the working capital fund is concerned, I do not know what it is for, and the hearings are very incomplete and inadequate as to what this \$666,600 would be used for. Perhaps it will be explained on the floor, but I do not find that anyone else knows how that contribution would be used.

I say to you that it is time we called a halt to this business of some foreign countries sitting in New York in the General Assembly of the United Nations or over in New Delhi, India, increasing the contributions that the taxpayers of the United States of America are called upon to pay to the United Nations and its various subsidiary organizations.

As for this police force, I am very much intrigued by the fact that a substantial number of Members of the House not so long ago turned thumbs down on a move to invite Tito to address the House of Representatives, or at least told the President they wanted no part of any invitation to Tito. But it appears to be perfectly all right to use American tax dollars to support Yugoslav troops in the United Nations police force. You know they are doing that; or do you? Why draw a bead on Tito and still equip and support his troops as though the peace and freedom of the world depended upon them?

It is time to call a halt to this, and I have offered this amendment to knock out the \$3,333,000 in outright support for the United Nations police force and cut

out \$666,600 for the so-called working capital fund of the United Nations.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOSMER. Some money will be left. What will that be used for?

Mr. GROSS. That I do not know. It is labeled contributions to international organizations. I will give them that \$169,000 or \$172,000 and feel that we are getting out of this one with most of our hides if my amendment is adopted.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes, the time to be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, the pending amendment in the form in which it has been drawn appears utterly ridiculous. The amendment of the gentleman from Iowa, if adopted, would insert the following:

For an additional amount for "Contributions to international organizations," \$172,809, of which \$3,333,000 shall be available for payment to the United Nations as contributions to the United Nations emergency force.

You see what happens when these hastily drawn amendments are offered here on the floor in the Committee of the Whole.

With regard to the advance to the working capital fund of the U. N. of \$666,600, that does not exactly represent an expenditure at all. It would result in our obtaining a credit of that amount against our future contributions to the United Nations. This is explained at page 272 of the committee hearings:

An amount of \$666,600, approximately 9 percent of the total requested, is required as an advance by the United States to the United Nations working capital fund. This amount represents the United States percentage share, 33.33 percent, of an additional \$2 million to raise the level of the fund from \$20 million to \$22 million. This increase in the working capital of the organization is deemed necessary and urgent because past experience shows that during certain months the cash position of the organization is so low as to endanger its fiscal stability.

The United States, for instance, does not pay its contribution until July, 6 months after the fiscal period of the United Nations has begun. This factor in conjunction with a higher budget level and increasing emergency expenditures necessitated the \$2 million increase.

This now brings us to the \$3,333,000 contribution to the UNEF, the United Nations emergency force, the U. N. military group which is now stationed in the Middle East. The money which the amendment of the gentleman from Iowa seeks to delete is the United States share of a total fund to be contributed to by 72 nations of the world. Our share of this U. N. fund amounts to \$3,333,000, or one-third of \$10 million.

The question is very, very simple. Are we going to expend \$3,333,000 to keep our American boys and our American troops at their present locations? That is it in a nutshell.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. How much have the other nations contributed?

Mr. ROONEY. Probably no nation has contributed as yet.

Mr. GROSS. Of course not.

Mr. ROONEY. You will find a statement—

Mr. GROSS. I will give you the page number if you want it.

Mr. ROONEY. There is testimony at page 274 of these hearings with regard to the \$6.5 million voluntary fund for UNEF in which the State Department said—and this is your State Department, your Secretary Dulles, your Secretary as well as mine—that in the United Nations subject to congressional approval it was "our intention to make such a contribution." This was with regard to the \$3,250,000 which the committee recommended should be paid out of the President's fund. As to the UNEF contribution of \$3,333,000 which the gentleman seeks to delete from the bill, this is a levy, a one-third contribution, to be paid by the United States of America as its share of United Nations costs.

Mr. GROSS. First of all, do not try to wrap the Secretary of State around my neck. I have disowned him long ago.

Mr. ROONEY. Excuse me.

Mr. GROSS. And in the second place, let me say to the gentleman that the \$666,600 is over and above any 33½ percent.

Mr. ROONEY. Not exactly. In the future the American contribution to the U. N. will be reduced by that \$666,600. That is all this amounts to.

The proposed pending amendment is an irresponsible and dangerous one. If this amendment were to be adopted here today, it would be an indication to the troops of the U. N. nations now in the Middle East that we are not interested in them or what they are doing there.

I do not see how any reasonable person could interpret the adoption of this amendment in any other wise.

I trust that the membership in its wisdom will promptly vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The amendment was rejected.

The Clerk read as follows:

TRAVEL LIMITATION

The limitation on expenses for travel on official business under the Architect of the Capitol contained in the Legislative Branch Appropriation Act, 1957, is hereby increased by \$4,500.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so for the purpose of inquiring whether there is money tucked away in this bill some place for the further construction of buildings, such as the New House Office Building here on the Capitol Grounds. I wonder if someone could give me some information about that.

Mr. NORRELL. No. No part of the money in this bill is authorized for that purpose.

Mr. GROSS. Can the gentleman tell me what has been done about the remodeling of the Old House Office Building?

Mr. NORRELL. This is just salaries, and that is all.

Mr. GROSS. What about the remodeling of the two House Office Buildings? Was that under discussion at the hearings?

Mr. NORRELL. No part of the money in this bill is to be used for work done on the Capitol or any other building around here.

Mr. GROSS. I thank the gentleman. My curiosity was aroused when I saw the size of the hole now being dug to bury \$65 million or at least part of that amount. I did not know what size hole it would take to bury that much money.

Mr. NORRELL. There was a small amount of money allowed for the wage board. We simply allowed that to be put in the bill, and that is all.

Mr. GROSS. I thank the gentleman. The Clerk concluded the reading of the bill.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent that we return in the bill to the item on page 4, line 5, to which I had previously offered an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. PRESTON. Mr. Chairman, reserving the right to object, it is quite irregular to go back to a chapter we have already acted on; but in the light of the circumstances in this case, fairness impels me not to object.

The gentleman from West Virginia [Mr. BAILEY] offered an amendment earlier to this bill; without any advance notice that the amendment was to be offered, the committee had no opportunity to ascertain what the law was on the subject and the point of order was made against the amendment on the ground that the Tariff Commission did not have authority to make investigations abroad. Upon inquiry by the Chair of the gentleman from West Virginia as to what authority he could cite, the gentleman from West Virginia at the moment could not cite authority and the Chair had no alternative but to sustain the point of order on this as well as other grounds. Since that time the gentleman from West Virginia has established that the law does permit such an investigation overseas and he is now seeking to revert to that chapter in order to offer a different amendment not subject to a point of order. In view of these circumstances and in the interest of fairness, I shall not object. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Chairman, I appreciate the comments of the distinguished gentleman from Georgia [Mr. PRESTON]. I am only seeking for fair

play and the opportunity to offer this amendment. Will the Chair instruct the Clerk to report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "\$25,000" and insert "\$50,000. Of this amount the sum of \$25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. BAILEY. Mr. Chairman, I think I owe it to my colleagues in the House to make clear to them that the Tariff Commission does have authority to make investigations abroad and I shall take a part of the time allotted to me in support of this amendment to read section 704 of the basic Tariff Act of 1916. It reads as follows:

That the commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

So it is clearly evident that the Tariff Commission does have authority to make these investigations abroad. For the benefit of my colleagues who were not on the floor earlier at the time I offered the amendment, I will say that I reminded my colleagues who were then on the floor that I had just returned from an appearance before the Tariff Commission in support of a case now pending by the United States Association of Clothespin Producers.

Mr. OSTERTAG. Mr. Chairman, would the gentleman yield?

Mr. BAILEY. I yield to the gentleman from New York.

Mr. OSTERTAG. I just wanted to inquire whether the gentleman's amendment directs the Tariff Commission to investigate any specific commodity or product in foreign lands.

Mr. BAILEY. Is not the language broad enough?

Mr. OSTERTAG. It does not specify any particular commodity; is that correct?

Mr. BAILEY. It gives them a pretty free hand if they are in competition with American products. I thought it necessary to write into the record of the Tariff Commission a situation which I feel no Member of the Congress of the United States wants to tolerate any longer. I wrote into the record of the Tariff Commission, facts substantiated by the American Ambassador at Copenhagen to the effect that 1 of the 2 large Danish export companies exporting Danish-made clothespins into the United States did not own a clothespin factory. They were buying their clothespins that were made in the prisons of Denmark and shipping them into the United States under the provisions of the Reciprocal Trade Agreements Act. They even sup-

plied me with the fact that the highest wage being paid in those prisons as a result of this work was 52 cents a day. I do not think a single Member of this House wants a situation like that to continue because if it is being done in the case of clothespins it can be done and is being done in the case of practically every other article that can be imported into this country.

Let me talk to the textile people of the South. Do you not think the Tariff Commission ought to know something about the 9- and 11-cent wage rates in the textile industry in Japan and the conditions under which they are producing those textiles in competition with American products?

Mr. Chairman, I am simply pleading for justice. We do not want the wage standards and living conditions of our American workingmen competing with prison labor on products produced abroad under the reciprocal-trade agreements. Take it and do what you want with it.

Mr. PRESTON. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Chairman, the gentleman from West Virginia is concerned about commodities being imported into this country made in prisons abroad. He is seeking to get \$25,000 for the Tariff Commission to look into a matter that is already prohibited by law. I refer the gentleman from West Virginia to the United States Code, title XIX, section 1307, which reads as follows:

All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

It is not even the function of the Tariff Commission to deal with this matter; it is the function of the Bureau of Customs to deal with it.

As far as the wages paid in Japan for the manufacture of textiles is concerned, that information is already available in the Bureau of Foreign Commerce in the Commerce Department. So he has made no case whatsoever to the House for this \$25,000 to be placed in the hands of the Tariff Commission to carry on investigations abroad. I submit that the House should defeat this amendment until a better case can be made.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from West Virginia.

Mr. BAILEY. Wherein has the Tariff Act of 1916, that contains the section I have read, been amended to remove from the Tariff Commission that authority vested in it at the time the Commission was set up?

Mr. PRESTON. They have authority to investigate abroad. I have conceded that earlier. But why investigate prison-labor-made products when the law prohibits the importation of such products?

Mr. BAILEY. They were importing those clothespins made in prisons and they are still doing it. The State Department and the Commerce Department have not taken it upon themselves to stop it.

Mr. PRESTON. I suggest the gentleman from West Virginia call this to the attention of the Bureau of Customs. He is barking up the wrong tree. The 'possum is in another tree.

Mr. BAILEY. I still say it is the business of the Tariff Commission to make the investigation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. Yes, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations.

On motion of Mr. CANNON (and by unanimous consent), the previous question was ordered on the motion to recommit.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

THE ACREAGE RESERVE PROGRAM

(Mr. GATHINGS asked and was given permission to revise and extend his remarks.)

Mr. GATHINGS. Mr. Speaker, the acreage reserve provisions of the Soil Bank Act discourages industry and enterprise, which are the foundation stones of our American system. It inspires inactivity and idleness, since its theory is that you sit on the bank of the stream and expect prosperity to come to you. It is basically contrary to all American traditions of endeavor, industry, and getting ahead by hard work.

It is not aiding our ill agriculture, although its original sponsors had the best of intentions for its success. The results have been to aggravate the aches and pains of the farm communities. The program is a costly experiment in reducing agricultural surpluses. It is extravagant in benefit costs as well as administrative expense. Administration of the Soil Bank Act currently employs 15,420 people, and it is estimated that next year this number will be increased to 16,087. These employees are largely in the field. The figures include both acreage reserve and conservation reserve employees. More are required, I have learned, in the conservation reserve enforcement staff. The cost of the acreage reserve program in crop year 1957 is expected to reach \$630 million. The results anticipated to be attained will be only a small percent reduction in production of basic crops. That is a lot of money to spend for obtaining a question mark in accomplishments. Cost to the American taxpayer last year was \$247,398,000 for this program, with little actual results accruing.

But even greater than the cost of the program is the additional destruction to the American economy. Planned as a temporary method for reducing production, the 1956 act also contemplated aid to conservation, a most laudable undertaking. But the acreage reserve program has depleted the greatest asset of our rural economy—our farmers. The program has intensified the migration from the land of many of our farm families. And as the farm families leave the land the business economy of the area falters, declines, and falls apart. There is less work for the cotton gins. Sales of agricultural machinery and equipments drops off appreciably. Trucks and railroads reduce their operations. Implement dealers are caught in the squeeze, and every store on Main Street watches inventories gather dust as the one-time customer departs seeking the illusion of employment somewhere else.

The small-business man is already reaping the results of this economic slowdown. A part of the problem of small business stems from the deple-

tion of farm manpower and the customers who have been lost by the new concept of paying for not planting—financing for not farming—investing in idleness.

Mr. Speaker, these remarks have been confined to the acreage reserve provisions of the Soil Bank Act. The conservation reserve provisions of the program should be continued and not disturbed. The conservation reserve features embody a long-range program that promises great worth in lasting benefits and improvements. More time should be granted the conservation reserve program to ascertain its true merit. The acreage reserve has brought disrepute and undeserved criticism which has been detrimental to our farmers' best interests.

It has already displayed that it is exorbitantly costly; that it has failed substantially to reduce production; that it carries within itself the seeds of general depression and slowdown of our economy; and that it should be stricken from the statutes.

That is the purpose of the legislation I am introducing today—repeal of the acreage reserve provisions of the Soil Bank Act. The bill is being introduced to become effective at the conclusion of the 1957 crop year. It is hoped that the provisions of the legislation will be incorporated in and made a part of all long-range programs for basic agricultural commodities.

The savings that would accrue by repealing this title of the 1956 act would aid greatly in the establishment and furtherance of a permanent program for farm crops that will recognize that acreage reduction is not the answer for the farm dilemma. Maintenance and expansion of markets is the only way the farmer can be assured of continuance in the business of farming. To do that competitive selling and assurances of stable productivity are essential.

We are now engaged in working on a long-range cotton program. In order to secure its passage and success, the heavy cost of the acreage reserve features of the soil bank program must be eliminated.

PROPOSALS TO MAKE BIG BUSINESS CARRY FAIR SHARE OF THE TAX BURDEN ARE NOT TO BE CONFUSED WITH TAX RELIEF

(Mr. PATMAN asked and was given permission to extend his remarks at this point and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, some of the best thinkers and the best-informed Members of this body are devoting themselves to the task of finding the waste and unnecessary expenses in the President's budget, so that the budget can be cut to reasonable levels and we can bring about tax relief.

In many of the discussions about possible tax relief however, some confusion has developed about the small-business tax proposals. These proposals for correcting the discriminatory burden on small business have, on occasion, been

treated as being in conflict with proposals for general tax relief. In other words, many people have thought that the two types of proposals present alternative courses and that we must choose one alternative or the other.

For example, on March 25, my colleague, the gentleman from Texas [Mr. IKARD], delivered a monumental speech on the administration's budget muddle, on the administration's conflicting and inconsistent recommendations on small-business taxes, and on the subject of Congress' responsibilities in these matters. It was a most thoughtful and well-informed speech, and the gentleman is to be congratulated. I find myself in complete agreement with almost everything he said. But I believe I should add some thoughts on the question of small-business taxes which will throw a different light on this subject.

First, however, on the question of general tax relief, let me say that I agree with the argument that when tax relief, in any normal sense of the term, is granted, relief should go first to individual income taxpayers. As was said by my colleague, the gentleman from Texas [Mr. IKARD], the vast sums now being taken by Federal taxes "from the earnings of the American people have generated many inequities and hardships, and have built tremendous pressures for tax revisions and tax relief."

I believe, however, that the proposals for adjusting small-business taxes will be better understood and placed in their proper perspective, from the standpoint of the general public interest, if I explain the considerations which have motivated these proposals—at least those which have motivated the bills introduced by me.

These proposals have not been made for the reason that we feel small-business people are under greater hardships than the wage earner, or the professional man, or that the small-business man is entitled to any special consideration. To assume that the purpose is to grant "relief" to those most entitled to relief misses the whole point of these proposals. At least it misses the point of H. R. 7, which was introduced by me.

REASON FOR H. R. 7 IS NOT TAX RELIEF

H. R. 7 springs from a realization that the present tax structure—individual and corporate income taxes combined—is bringing about a rapid and fundamental change in the structure of business in the United States. And this is a change which affects quite directly, and radically, the welfare of all of our people. In brief, this tax structure is eliminating small business as any substantial competitive factor in the economic system, and is bringing about a rapid centralization of business into a few colossal, multi-billion-dollar combines. This result, as I have said, is going on at a rapid pace; and it is a result which affects our whole way of life. The question is then, not whether the small-business man, as an individual, is more deserving of tax relief than other individuals. But the question is whether we should continue a tax structure which is destroying our historic business system, or whether we should, in the interest of all economic

groups, move promptly to correct a situation which is so vital to all of us.

Now much has been said about the fact—or the alleged fact—that H. R. 7 does not come directly to the relief of small unincorporated firms. Furthermore, it is true that the overwhelming majority of business firms are unincorporated. As my colleague, the gentleman from Texas [Mr. IKARD], pointed out in his speech, of all the business firms filing income-tax returns in 1953 which showed net incomes, only 5.8 percent were corporations. Consequently, if we began with the premise that the purpose of the bill I introduced is to provide tax relief, then the argument would be correct that we ought to provide the kind of relief which would benefit the largest number of people. But this premise is wrong. The purpose behind H. R. 7 has been to find the root causes of the rapid centralization of business, and correct those causes. In short, the purpose of H. R. 7 is to solve an acute problem where the problem exists, and the solution as I see it, is to correct the discriminatory impact of the present tax structure as between the large- and small-business units. To understand why the corporate income tax is the problem area, let me make two points.

H. R. 7 IS DESIGNED TO SOLVE A PUBLIC-INTEREST PROBLEM

First, the preponderance of business done today is done by corporations. While it is true that corporations accounted for only 5.8 percent of the business firms filing tax returns which showed net incomes in 1953, corporations accounted for about 70 percent of all the net income. Similarly, corporations accounted for 71 percent of all the business receipts. Furthermore, this is counting among the unincorporated businesses the receipts of professional offices, such as doctors, lawyers, dentists, accountants, and so forth, as well as educational service organizations. If we confined the comparison just to those firms engaged in business in the ordinary sense of the term, we would find that a much higher percentage of all the business done in the country is done by corporations. The question, then, is whether we wish this 70 to 80 percent of all the business of the country to come under the control of a few hundred colossal, multi-billion-dollar empires, or whether we think it is better to have this preponderance of the Nation's economic activity carried on by several hundred thousand corporations.

DOUBLE TAXATION AND TAX AVOIDANCE

My second point is this: It is the corporate income tax which raises peculiar problems. At one extreme, the corporate income tax it is charged amounts to a double taxation of some business owners. At the other extreme, the corporate form of organization, under the present tax structure, provides a means of tax avoidance.

To illustrate the situation where it is charged there is complete double taxation, take the very small firm doing business under highly competitive conditions. The owners need, and take out, the current profits of the firm for their current

living expenses. In this situation the owners pay the corporate income tax, and in addition, pay the individual income tax on the same income—or what is left of it.

On the other hand, many of the bigger, quasi-monopolistic corporations do not actually bear the burden of the tax. They shift the tax onto others—either to consumers, to their trade customers, or to their suppliers, or to their employees, or in some combination among these groups.

An illustration which I have given before is the case of the big corporations in the public utilities fields. It is easy to see why such corporations are not expected to bear and do not actually bear the burden of the income tax. The reason is that when the income tax is imposed, or increased, the State utilities commissions promptly allow these corporations to raise rates sufficiently to absorb the tax.

H. R. 7 WOULD TEND TO ELIMINATE TAX AVOIDANCE

And so it is with most of the big corporations in other fields, except that they raise prices, or squeeze suppliers, without having to ask permission to do so.

This is no strange or disputed fact. It has been openly discussed in editorials by such publications as the Wall Street Journal; and it has been freely admitted to and discussed by both past and present officials of the big corporations. No later than December a year ago, two officials of General Motors—the president and chairman of the executive committee—discussed this matter with the Senate Antitrust Subcommittee, and they told the subcommittee that over the years General Motors has been able to take almost precisely the profit rate it wanted to take—after taxes.

Certainly, then, a corporation that can shift all, or substantially all of the tax, provides its owners with a means of tax avoidance. It provides a way for accumulating assets, without paying individual income tax on the receipt of these assets.

What these differing effects of the corporate income tax mean, in practical terms, is this: The big, quasi-monopolistic corporation can acquire almost unlimited funds, through retained earnings, with which to expand—either by building new plants or buying up and merging smaller companies. On the other hand, the smaller and more competitive corporations are drained of such earnings and, as I have said, in many instances the owners are actually taxed twice. Between these two extremes the situation varies in degree. Some of your medium-sized corporations can, and do, shift some portion of the tax, but cannot shift the tax completely.

H. R. 7 has been offered as a first step toward correcting this problem.

H. R. 7 DOES NOT REDUCE REVENUES

H. R. 7 is not intended to reduce revenues from the corporate income tax. On the contrary, it is computed to yield the same revenues as now. It is intended, however, to do two things: First, to reduce the burden of the tax where the burden now falls heaviest—on the small

85TH CONGRESS
1ST SESSION

H. R. 7221

IN THE SENATE OF THE UNITED STATES

MAY 8, 1957

Read twice and referred to the Committee on Appropriations

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1957, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations (this Act may be cited as the
6 “Third Supplemental Appropriation Act, 1957”) for the
7 fiscal year ending June 30, 1957, and for other purposes,
8 namely:

CHAPTER I

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Research

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for construction of buildings, is increased from "\$1,850,000" to "\$1,916,000".

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

Penalty Mail

For penalty mail costs of agricultural experiment stations, under section 6 of the Hatch Act of 1887, as amended, \$250,000, to be derived by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, and Puerto Rico", fiscal year 1957.

EXTENSION SERVICE

FEDERAL EXTENSION SERVICE

Penalty Mail

For an additional amount for "Penalty mail", including penalty mail for State extension directors, \$514,000, to be derived by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, and Puerto Rico", fiscal year 1957.

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for administrative expenses of the Corporation, is increased from "\$31,000,000" to "\$33,000,000".

CHAPTER II

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$55,000, to be derived by transfer from the appropriation for "Expenses", National Bureau of Standards, fiscal year 1957; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for retirement pay of commissioned officers, is increased from "\$446,000" to "\$501,000".

1 INDEPENDENT OFFICE

2 TARIFF COMMISSION

3 SALARIES AND EXPENSES

4 For an additional amount for "Salaries and expenses",
5 \$25,000.

6 CHAPTER III

7 DEPARTMENT OF DEFENSE—MILITARY

8 FUNCTIONS

9 DEPARTMENT OF THE NAVY

10 MEDICAL CARE

11 For an additional amount for "Medical care", \$10,-
12 000,000, to be derived by transfer from the appropriation
13 for "Construction of ships".

14 SERVICE-WIDE SUPPLY AND FINANCE

15 For an additional amount for "Service-wide supply and
16 finance", \$8,000,000, of which \$5,000,000 shall be derived
17 by transfer from the appropriation for "Reserve Personnel,
18 Navy" and \$3,000,000 shall be derived by transfer from
19 the appropriation for "Military personnel, Marine Corps."

20 DEPARTMENT OF THE AIR FORCE

21 MILITARY PERSONNEL

22 For an additional amount for "Military personnel",
23 \$30,335,000, to be derived by transfer from the appropria-
24 tion for "Military construction", Air Force.

CHAPTER IV

COMMISSION ON GOVERNMENT SECURITY

SALARIES AND EXPENSES

The unobligated balance of the appropriation granted under this head in Chapter V of the Supplemental Appropriation Act, 1957, shall remain available until September 28, 1957.

CHAPTER V

INDEPENDENT OFFICES

CIVIL SERVICE COMMISSION

ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES

AND LIGHTHOUSE SERVICE WIDOWS

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows", \$500,000.

GENERAL SERVICES ADMINISTRATION

OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For an additional amount for "Operating expenses, Public Buildings Service", \$900,000.

VETERANS ADMINISTRATION

INPATIENT CARE

Notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1957, inpatient care and treatment may be furnished to an average of 140,100

1 beneficiaries during the current fiscal year without any pro-
2 portionate reduction in expenditures.

3 READJUSTMENT BENEFITS

4 For an additional amount for "Readjustment benefits",
5 \$65,000,000, to remain available until expended.

6 AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED

7 VETERANS

8 To enable the Administrator to provide, or assist in
9 providing, automobiles or other conveyances for disabled
10 veterans as authorized by the Act of October 20, 1951, as
11 amended (38 U. S. C. 252a-252e), to remain available
12 until expended, \$850,000, to be derived by transfer from the
13 appropriation for "Compensation and pensions".

14 CHAPTER VI

15 DEPARTMENT OF INTERIOR

16 BUREAU OF INDIAN AFFAIRS

17 RESOURCES MANAGEMENT

18 For an additional amount for "Resources manage-
19 ment", for emergency operation and maintenance of the San
20 Carlos irrigation project on a nonreimbursable basis, \$133,-
21 000, to be derived by transfer from the appropriation for
22 "Education and welfare services", Bureau of Indian Affairs,
23 fiscal year 1957.

1 FISH AND WILDLIFE SERVICE

2 GENERAL ADMINISTRATIVE EXPENSES

3 For an additional amount for "General administrative
4 expenses", not to exceed \$75,000, to be derived by transfer
5 from the appropriations for the fiscal year 1957 for "Man-
6 agement of resources" and "Investigations of resources",
7 Fish and Wildlife Service.

8 ADMINISTRATION, DEPARTMENT OF THE INTERIOR

9 SALARIES AND EXPENSES

10 For an additional amount for "Salaries and expenses",
11 \$65,000, to be derived by transfer from the appropriations
12 for the fiscal year 1957 for "Office of Oil and Gas", "Office
13 of the Solicitor", and "Office of Minerals Mobilization".

14 DEPARTMENT OF AGRICULTURE

15 FOREST SERVICE

16 SALARIES AND EXPENSES

17 For an additional amount for "Control of forest pests",
18 \$800,000, to be derived by transfer from any appropriation,
19 for the fiscal year 1957, available to the Department of
20 Agriculture for salaries and expenses (exclusive of such
21 appropriations which include funds for grants): *Provided*,
22 That the limitation under this head in the Department of the
23 Interior and Related Agencies Appropriation Act, 1957, on

1 the amount available for carrying out the Forest Pest Con-
2 trol Act, is increased from "\$2,386,000" to "\$3,186,000".

3 INDEPENDENT OFFICES

4 INDIAN CLAIMS COMMISSION

5 SALARIES AND EXPENSES

6 For an additional amount for "Salaries and expenses",
7 \$7,700.

8 SMITHSONIAN INSTITUTION

9 SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

10 For an additional amount for "Salaries and expenses,
11 National Gallery of Art", \$30,000.

12 CHAPTER VII

13 DEPARTMENT OF LABOR

14 OFFICE OF THE SECRETARY

15 SALARIES AND EXPENSES

16 For an additional amount for "Salaries and expenses",
17 \$24,000, to be derived by transfer in equal amounts from
18 the appropriations for the fiscal year 1957 for "Salaries
19 and expenses", Bureau of Labor Statistics, and "Salaries
20 and expenses", Wage and Hour Division.

21 DEPARTMENT OF HEALTH, EDUCATION, AND
22 WELFARE

23 FREEDMEN'S HOSPITAL

24 SALARIES AND EXPENSES

25 For an additional amount for "Salaries and expenses",
26 \$46,400.

PUBLIC HEALTH SERVICE

HOSPITALS AND MEDICAL CARE

For an additional amount for "Hospitals and medical care", \$1,184,000, of which \$580,000 shall be available only for the cost of hospitalization of dependents and retired personnel under the Dependents' Medical Care Act, Public Law 569, Eighty-fourth Congress.

SAINT ELIZABETHS HOSPITAL

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$133,000.

CONSTRUCTION AND EQUIPMENT, MAXIMUM SECURITY

BUILDING

For an additional amount for "Construction and equipment, maximum security building", \$673,000, to remain available until expended.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES, OFFICE OF FIELD

ADMINISTRATION

For an additional amount for "Salaries and expenses, Office of Field Administration", \$68,000, to be transferred from the Federal old-age and survivors insurance trust fund.

1 NATIONAL MEDIATION BOARD

2 SALARIES AND EXPENSES

3 For additional amount for "Salaries and expenses",
4 \$15,500, to be derived by transfer from the appropriation
5 for "Salaries and expenses, National Railroad Adjustment
6 Board", fiscal year 1957.

7 NATIONAL RAILROAD ADJUSTMENT BOARD

8 SALARIES AND EXPENSES

9 The amount made available under this head for the
10 fiscal year 1957, for compensation and expenses of referees
11 is decreased from "\$175,000" to "\$159,500".

12 RAILROAD RETIREMENT BOARD

13 SALARIES AND EXPENSES

14 For an additional amount for "Salaries and expenses,
15 Railroad Retirement Board (trust fund)", \$600,000, to be
16 derived from the railroad retirement account.

17 UNITED STATES SOLDIERS' HOME

18 For an additional amount for "United States Soldiers'
19 Home", to be paid from the Soldiers' Home permanent fund,
20 \$79,000.

CHAPTER VIII

PUBLIC WORKS

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

DEPARTMENT OF THE ARMY

ENTOMBMENT OF UNKNOWN AMERICANS OF

WORLD WAR II AND KOREA

For expenses, not otherwise provided for, incident to the selection and burial, with appropriate ceremonies, of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during World War II, as authorized by the Act of June 24, 1946 (60 Stat. 302), and the remains of an unknown American who lost his life while serving in the Armed Forces of the United States during the Korean conflict, as authorized by the Act of August 3, 1956 (70 Stat. 1027), including construction of two crypts and necessary alterations to the existing Tomb of the Unknown Soldier in Arlington National Cemetery, \$159,000, to remain available until June 30, 1958.

CHAPTER IX

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses",
\$500,400.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For an additional amount for "Emergencies in the diplomatic and consular service", \$725,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$4,169,409, of which \$3,333,000 shall be available for payment to the United Nations as contributions for the United Nations Emergency Force.

INTERNATIONAL CONTINGENCIES

For an additional amount for "International contingencies", \$225,000.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For an additional amount for "Care of the building and grounds", \$7,500.

The appropriation "Care of the building and grounds", for the fiscal year 1957, shall be available for payment of retroactive wage-board pay increases effective December 2,

1 1956, to those employees (commonly known as wage-board
2 employees) whose compensation is fixed and adjusted from
3 time to time in accordance with prevailing rates (5 U. S. C.
4 1082 (7)).

5 COURT OF CLAIMS

6 SALARIES AND EXPENSES

7 For an additional amount for "Salaries and expenses",
8 \$34,400.

9 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

10 JUDICIAL SERVICES

11 SALARIES OF JUDGES

12 For an additional amount for "Salaries of judges",
13 \$300,000, to be derived by transfer from the appropriation
14 for "Salaries of supporting personnel", fiscal year 1957.

15 FEES OF JURORS AND COMMISSIONERS

16 For an additional amount for "Fees of jurors and
17 commissioners", \$160,000.

18 SALARIES OF REFEREES

19 For an additional amount for "Salaries of referees",
20 \$253,000, to be derived from the referees' salary fund
21 established in pursuance of the Act of June 28, 1946, as
22 amended (11 U. S. C. 68).

23 EXPENSES OF REFEREES

24 For an additional amount for "Expenses of referees",
25 \$57,000, to be derived from the referees' expense fund

1 established in pursuance of the Act of June 28, 1946, as
2 amended (11 U. S. C. 68 (c) (4)).

3 FUNDS APPROPRIATED TO THE PRESIDENT

4 PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

5 For an additional amount for the "President's special
6 international program", for United States participation in
7 the Universal and International Exhibition of Brussels, 1958,
8 \$1,300,000, to remain available until expended.

9 CHAPTER X

10 DISTRICT OF COLUMBIA

11 (Out of District of Columbia funds)

12 OPERATING EXPENSES

13 DEPARTMENT OF GENERAL ADMINISTRATION

14 For an additional amount for "Department of General
15 Administration", \$180,000.

16 PERSONAL SERVICES, WAGE-SCALE EMPLOYEES

17 For pay increases for wage-scale employees, to be trans-
18 ferred by the Commissioners of the District of Columbia to
19 the appropriations and funds of said District for the fiscal year
20 1957 from which said employees are properly payable,
21 \$415,000, of which \$54,700 shall be payable from the high-
22 way fund, \$36,500 from the water fund, and \$20,300 from
23 the sanitary sewage works fund; said increases in compensa-
24 tion to be effective on the first day of the first pay period
25 beginning after February 1, 1957: *Provided*, That no retro-
26 active compensation or salary shall be payable in the case

1 of any individual not in the service of the municipal govern-
2 ment of the District of Columbia on the date of approval of
3 this Act, except that such retroactive compensation or salary
4 shall be paid in the case of a deceased officer or employee,
5 or of a retired officer or employee, for services rendered after
6 the effective date of the increase: *Provided further*, That for
7 the purpose of determining the amount of insurance for which
8 an individual is eligible under the Federal Employees' Group
9 Life Insurance Act of 1954, all changes in rates of com-
10 pensation or salary which result as provided herein shall be
11 held and considered to be effective as of the first day of the
12 first pay period which begins on or after the date of enact-
13 ment of this Act.

14 CAPITAL OUTLAY

15 PUBLIC BUILDING CONSTRUCTION

16 For an additional amount for "Capital outlay, public
17 building construction", to cover the increased estimated cost
18 of the Anacostia Senior High School addition, to remain
19 available until expended, \$390,000, of which \$15,000 shall
20 be available for construction services by the Director of the
21 Department of Buildings and Grounds.

22 MISCELLANEOUS

23 SETTLEMENT OF CLAIMS AND SUITS

24 For the payment of claims in excess of \$250, approved
25 by the Commissioners in accordance with the provisions of

1 the Act of February 11, 1929, as amended (45 Stat. 1160;
2 46 Stat. 500; 65 Stat. 131), \$22,798.

3 JUDGMENTS

4 For the payment of final judgments rendered against the
5 District of Columbia, as set forth in House Document Num-
6 bered 115 (Eighty-fifth Congress), \$347, together with such
7 further sums as may be necessary to pay the interest at not
8 exceeding 4 per centum per annum on such judgments, as
9 provided by law, from the date the same became due until
10 the date of payment.

11 AUDITED CLAIMS

12 For an additional amount for the payment of claims, cer-
13 tified to be due by the accounting officers of the District of
14 Columbia, under appropriations the balances of which have
15 been exhausted or credited to the general fund of the District
16 of Columbia, as provided by law (D. C. Code, title 47, sec.
17 130a), being for the service of the fiscal year 1956 and prior
18 fiscal years, as set forth in House Document Numbered 115
19 (Eighty-fifth Congress), \$8,062, together with such further
20 sums as may be necessary to pay the interest on audited
21 claims for refunds at not exceeding 4 per centum per annum
22 as provided by law (Act of July 10, 1952, 66 Stat. 546,
23 sec. 14d).

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriations Acts for the fiscal years involved.

CHAPTER XI

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

The sum of not to exceed \$45 may be transferred between the appropriations "Official Reporters of Debates" and "Contingent expenses of the House, miscellaneous items".

CONTINGENT EXPENSES OF THE HOUSE

Folding Documents

For an additional amount for "Folding documents", \$9,000.

EDUCATION OF SENATE, HOUSE, AND SUPREME COURT

PAGES

For an additional amount for "Education of Senate, House, and Supreme Court pages", \$2,240.

1 GOVERNMENT PRINTING OFFICE

2 PRINTING AND BINDING

3 For an additional amount for "Printing and binding",
4 fiscal year 1956, \$1,300,000.

5 ARCHITECT OF THE CAPITOL

6 OFFICE OF THE ARCHITECT OF THE CAPITOL

7 SALARIES

8 For an additional amount for "Salaries", \$7,500.

9 TRAVEL LIMITATION

10 The limitation on expenses for travel on official business
11 under the Architect of the Capitol contained in the Legisla-
12 tive Branch Appropriation Act, 1957, is hereby increased by
13 \$4,500.

14 PAY INCREASES, WAGE-BOARD EMPLOYEES

15 Appropriations for the fiscal year 1957 available for
16 expenditure by the Architect of the Capitol shall be available
17 for payment of retroactive wage-board pay increases ef-
18 fective December 2, 1956, to those employees (commonly
19 known as wage-board employees) whose compensation is
20 fixed and adjusted from time to time in accordance with
21 prevailing rates (5 U. S. C. 1082 (7)).

22 CAPITOL BUILDINGS AND GROUNDS

23 CAPITOL BUILDINGS

24 For an additional amount for "Capitol Buildings",
25 \$13,500.

UNIFORM ALLOWANCES

The appropriations for "Capitol Buildings", "Senate Office Building", and "House Office Buildings", for the fiscal year 1957, shall be available for uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131).

BOTANIC GARDEN

SALARIES AND EXPENSES

The appropriation for "Salaries and expenses", for the fiscal year 1957, shall be available for payment of retro-active wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document Numbered 156, Eighty-fifth Congress, \$2,728,739, together with such

1 amounts as may be necessary to pay interest (as and when
2 specified in such judgments or in certain of the settlements
3 of the General Accounting Office or provided by law) and
4 such additional sums due to increases in rates of exchange
5 as may be necessary to pay claims in foreign currency:
6 *Provided*, That no judgment herein appropriated for shall
7 be paid until it shall have become final and conclusive
8 against the United States by failure of the parties to appeal
9 or otherwise: *Provided further*, That, unless otherwise
10 specifically required by law or by the judgment, payment of
11 interest wherever appropriated for herein shall not continue
12 for more than thirty days after the date of approval of this
13 Act.

Passed the House of Representatives May 7, 1957.

Attest:

RALPH R. ROBERTS,

Clerk.



AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

MAY 8, 1957

Read twice and referred to the Committee on Appropriations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 16, 1957

For actions of May 15, 1957

85th-1st, No. 81

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed agricultural appropriation bill. Senate passed State-Justice-Judiciary appropriation bill. Senate committee reported third supplemental and Commerce appropriation bills. Sen. Morse criticized farm program and farm prices. Sen. Allott introduced and discussed bill to consolidate certain farm loan laws. Sen. Morton inserted Under Secretary Morse's Lexington, Ky. speech.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1958. Passed with amendments this bill, H.R. 7441. (pp. 6159-87)

Agreed to the following amendments:

By Rep. Harrison, Va., 192 to 187, to provide that no part of the appropriation shall be used to formulate and administer an acreage reserve program with respect to 1958 crops. (pp. 6172-82, 6186-87).

By Rep. Reuss, as amended by an amendment by Rep. Abbitt, to limit to \$2,500 the amount of payments any one farmer may receive in 1958 under the acreage reserve program (pp. 6182-84).

Rejected the following amendments:

By Rep. Wier, to increase the appropriation for meat inspection from \$16,586,000 to \$18,718,000. (p. 6160)

By Rep. Becker, 26 to 58, to delete from the bill both the electrification and telephone loan authorizations for REA. (pp. 6161-64)

By Rep. Rees, 72 to 74, to reduce the limitation on the maximum ACP payment to any one farmer from \$2,500 to \$1,500. (pp. 6166-70)

By Rep. Pelley, to reduce the advance ACP authorization from \$250 million to \$180 million, and to delete the words "fertilizers" and "lime" as items which may be furnished as a part of advance conservation materials and services. (pp. 6170-72)

The provision in the bill to extend to employees of FAS in foreign countries the same facilitating authorities now available to Foreign Service employees of the State Department was stricken on a point of order by Rep. Rooney. (p. 6161)

2. BUDGET. The Government Operations Committee submitted a report on the review of the budget formulation and presentation practices of the International Cooperation Administration (H. Rept. 449). p. 6195
Rep. Collier discussed the size of the budget and called for a reduction in Federal expenditures. pp. 6192-93
3. RECORDS MANAGEMENT. The Government Operations Committee reported with amendment H.R. 5110, to provide for the transfer to the National Archives of any records of any Federal agency where such records have been in existence for more than 50 years and are not needed by the agency in conducting current business (H. Rept. 450). p. 6195
4. DAIRYING. Rep. Laird reviewed the history and importance of the American dairy industry, and paid tribute to its part in the Jamestown Celebration this year. p. 6193

SENATE

5. APPROPRIATIONS. Passed with amendments H.R. 6871, the State-Justice-Judiciary appropriation bill, which had been reported with amendments during the adjournment of the Senate (S. Rept. 303). All committee amendments were adopted and an amendment by Sen. Johnson requesting USIA to inform Congress of any finding that overseas Government information activity will not prevent private U.S. concerns from selling information overseas. Conferees were appointed. pp. 6197, 6233-4, 6240-75

The Appropriations Committee reported with amendments H.R. 7221, the third supplemental appropriation bill for 1957 (S. Rept. 310). pp. 6200, 6211

Received a message from the President transmitting a proposed provision for the Southeastern Power Administration in the Interior Department appropriation for 1957 (S. Doc. 37); to the Appropriations Committee. p. 6198

Received a message from the President transmitting a proposed supplemental appropriation to pay claims against the U.S. (S. Doc. 38); to the Appropriations Committee. p. 6198

6. FARM PROGRAM. Sen. Morse criticized the Secretary for the levels of farm prices, inserting a table showing parity price comparisons for various farm products, and urged greater efforts to get food to hungry people. He inserted a farmer's letter criticizing the farm program. pp. 6285-6
7. ELECTRIFICATION; RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 60, to authorize construction of the Fryingpan-Arkansas project (S. Rept. 325); and reported without amendment S. 555, to authorize construction of Hells Canyon dam (S. Rept. 324). p. 6200
Sen. Morse criticized the partnership program in public power, urged construction of John Day dam and other Federal multi-purpose projects, and asserted his support for the preference clause in those instances when it is fair to the greatest number while refusing to let "the public-preference clause be a sacred cow in my political philosophy." pp. 6276-84
8. TAX AMORTIZATION. Sen. Goldwater inserted a list of tax-amortization certificates granted in the Northwestern U.S. and an article to show how many such certificates were granted to public utilities. pp. 6230-1

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

MAY 15, 1957.—Ordered to be printed

Mr. HAYDEN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 7221]

The Committee on Appropriations, to whom was referred the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$79, 840, 788
Amount of increase by Senate committee.....	62, 501, 257
Amount of bill as reported to Senate.....	142, 342, 045
Total estimates considered by the Senate.....	181, 699, 320
Under budget estimates.....	39, 357, 275

Summary of the bill

Chapter	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—	
					Budget estimates	House bill
I	Agriculture			\$15,000,000	+\$15,000,000	+\$15,000,000
II	Commerce	\$1,025,000	\$25,000	1,025,000		+1,000,000
III	Defense					
IV	General Government matters					
V	Independent offices	120,892,000	66,400,000	80,400,000	-49,492,000	+14,000,000
VI	Interior	30,037,700	37,700	30,052,700	+15,000	+30,015,000
VII	Labor and Health, Education, and Welfare	2,843,700	2,036,400	2,036,400	-807,300	
VIII	Public Works	269,000	159,000	159,000	-110,000	
IX	State, Justice, and the Judiciary	11,832,284	7,121,709	7,821,309	-4,010,975	+699,600
X	District of Columbia	(1,016,207)	(1,016,207)	(1,016,207)		
XI	Legislative	1,361,740	1,332,240	1,409,740	+48,000	+77,500
XII	Claims and judgments	4,437,896	2,728,739	4,437,896		+1,709,157
	Total	181,699,320	79,840,788	142,342,045	-39,357,275	+62,501,257

CHAPTER I
DEPARTMENT OF AGRICULTURE
AGRICULTURAL CONSERVATION PROGRAM SERVICE
EMERGENCY CONSERVATION MEASURES

The committee amendment inserts language recommended by the House in H. R. 4249, Urgent Deficiency, 1957. The amendment recommends an appropriation of \$15,000,000 to carry out emergency wind erosion practices, and related land treatment measures arising from other natural disasters.

The conferees on H. R. 4249 had agreed to this item, as an appropriation in lieu of the budget estimate which requested authority to use \$25,000,000 of unexpended balances from the "Agricultural Conservation Program Service."

EMERGENCY RANGE CONSERVATION

The committee recommends the following provision which was requested in S. Doe. 36:

For expenses necessary to carry out the provisions of the Act of April 25, 1957 (Public Law 85-25), to remain available until December 31, 1958, \$25,000,000, to be derived from funds available for purposes of the Soil Bank Act under section 120 of that Act (70 Stat. 197).

The language proviso authorizes transfer of \$25,000,000 from funds available for purposes of the Soil Bank Act, to remain available until December 31, 1958. These funds will be used to provide assistance to farmers and ranchers who carry out measures to preserve grassland under provisions of the recently approved Deferred Grazing Act.

FARMERS' HOME ADMINISTRATION

DISASTER LOAN REVOLVING FUND

The committee recommends inclusion of the provision which was in H. R. 4249 to increase the limitation in the revolving fund by not to exceed \$15,000,000 for emergency feed and seed assistance in designated drought areas. This item as agreed to by the conferees is \$10,000,000 less than the budget estimate of \$25,000,000.

LOAN AUTHORIZATIONS

The committee recommends inclusion of the provision to provide \$26,000,000 additional loan authorization, for farm ownership loans, under title I of the Bankhead-Jones Act, as amended. This is the amount of the budget estimate and was agreed to by the conferees on H. R. 4249.

CHAPTER II

PANAMA CANAL COMPANY

Panama Canal Bridge.—The committee recommends the appropriation of \$1,000,000, the amount of the estimate, for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, as authorized by the act of July 23, 1956.

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL, ARMY

The committee recommends for appropriation the budget estimate of \$27,444,000 by transfer from "Procurement and production," Army. This item is contained in Senate Document No. 36 and was not considered by the House. The Department of Defense has indicated that the amount requested is the net increase in costs resulting from increased price factors and recent legislation which cannot be absorbed within the funds available.

The language requested is as follows:

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL

For an additional amount for "Military personnel", \$27,444,000, to be derived by transfer from the appropriation for "Procurement and production", Army.

CHAPTER IV

AMERICAN BATTLE MONUMENTS COMMISSION

The committee recommends the insertion in the bill of the language authorizing use of funds for "Construction of memorials and cemeteries" for the purposes of the act of April 2, 1956, as agreed to during the conference on the urgent deficiency bill, H. R. 4249, in order to allow planning to begin on the proposed Pershing Memorial.

CHAPTER V

INDEPENDENT OFFICES

CIVIL SERVICE COMMISSION

EMPLOYEES' LIFE INSURANCE FUND

The committee recommends an increase of \$76,500 in the limitation for administrative expenses, which includes the costs of assuming life-insurance agreements of the remaining 9 employee beneficial associations by August 17, 1957, as required by law.

Also recommended is the language to make available \$23,000 of such funds in 1958, since it is anticipated that these funds will be needed after July 1 in order to complete the assumption of the remaining associations by the deadline date.

The committee is advised that any further delay in assuming the remaining agreements may result in these nine associations being placed in a precarious financial position, that some of the associations are already liquidating part of their assets in order to pay claims to survivors due to their lack of cash occasioned by their inability to compete with the Federal insurance program.

The committee is further advised that it would be an absolute impossibility to separate the beneficiaries between those retired and those who are still in Government service and to attempt to take over the agreements of only those who retired prior to the Federal program.

The committee believes that equity to all concerned requires the approval of funds to allow the completion of the job of taking over the agreements from the employee beneficial associations.

GENERAL SERVICES ADMINISTRATION

OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

The committee recommends an increase of \$10,000 in the travel limitation, in order to provide sales assistance to Federal agencies in connection with the disposal of surplus personal property, as requested in a supplemental estimate submitted to the Senate in Senate Document No. 36 in the amount of \$15,000.

HOUSING AND HOME FINANCE AGENCY

FEDERAL FLOOD INDEMNITY ADMINISTRATION

The committee recommends an appropriation of \$14,000,000, instead of the requested amount of \$50,000,000, to provide for a program of direct flood insurance as authorized by the Federal Flood Insurance Act of 1956. These funds will cover contract operating expenses, including compensation to private insurance organizations for the writing, management, servicing, and adjustment of such insurance. The committee is advised that the development of the

flood indemnity program has now reached the point where it is necessary to enter into final contract negotiations with the private insurance organizations, and funds are required to pay for the services to be rendered by them. No provision is made for the reinsurance or loan contract programs which are also authorized by the act.

In denying the additional \$36 million, requested for the payment of losses under the direct flood insurance program, the committee is advised that the Administrator would exercise the authorization under the act to borrow such funds from the Treasury only if needed, in case the premium income is insufficient to pay losses.

The committee believes it is important to get the direct insurance program started promptly, in order to allow a thorough trial of the planned program during the time until June of 1959 when the Federal Government contributes the full amount of the subsidy, and to provide a basis of some experience and adequate time for the legislatures of the States to take appropriate action for dividing the subsidy equally with the Federal Government, after June of 1959.

VETERANS' ADMINISTRATION

INPATIENT CARE

The committee recommends an additional amount of \$2 million for inpatient care, to be derived by transfer, instead of the \$3 million requested in the supplemental estimate, for the purpose of allowing the Administration to pay wage-board pay increases which cannot be otherwise absorbed.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

ACQUISITION OF STRATEGIC MINERALS

The committee recommends the allowance of the budget estimate of \$30,000,000 for the acquisition of strategic minerals under the provisions of Public Law 733 of the 84th Congress. The recommendation of the committee is in the same form as this item was approved by the Senate in the urgent deficiency appropriation bill by a vote of 64 to 17.

In recommending approval of this item in the urgent deficiency bill, the committee stated in its report (S. Rept. No. 65, 85th Cong.):

The committee considered funds for this program during the latter part of the last session of Congress. In recommending an appropriation of \$25,000,000, the committee stated in its report (S. Rept. No. 2770, 84th Cong.):

"The budget estimate for this program—\$91,670,000—the estimated cost of the program for 2½ years. It is the view of the committee that the sum recommended is adequate to carry out the program through January of 1957. The committee expects the Department to submit a supplemental request for funds, through the Bureau of the Budget, when additional funds are required."

In recommending the initial appropriation (\$21,000,000 was agreed to in the conference committee) the committee gave its approval to the intent of the authorizing act, which is to grant interim relief to the producers of tungsten, asbestos, acid-grade fluorspar, and columbium-tantalum until such time as a long-range nondefense minerals policy is submitted to and acted on by the Congress.

* * * * *

It is the view of the committee that if this program is discontinued at this time the resulting loss to many of the producers will be so great that they will not be able to recover. The effect of such action would be directly opposite to the intent of Public Law 733, which was to maintain our domestic sources of these minerals.

The above quoted paragraphs still represent the views of the committee with respect to funds for this program.

BUREAU OF INDIAN AFFAIRS

RESOURCES MANAGEMENT

The committee recommends the allowance of the budget estimate of \$283,000. The increase of \$150,000 over the House allowance is the amount of a supplemental estimate submitted in Senate Document No. 36 that was not considered by the House. The total amount of the recommendation is to be derived by transfer from the appropriation "Education and Welfare Services, Bureau of Indian Affairs, 1957."

The \$150,000 increase over the House allowance is required to allow the Bureau of Indian Affairs to contract for appraisals of tribal lands on the Agua Caliente (Palm Springs), California Indian Reservation in order to comply with a decision of the United States Court of Appeals pertaining to the equalization of allotments of tribal lands to individual Indians.

FISH AND WILDLIFE SERVICE

GENERAL ADMINISTRATIVE EXPENSES

The committee recommends concurrence in the House allowance of \$75,000 for administrative expenses of the Fish and Wildlife Service. The recommendation is a decrease of \$164,000 in the supplemental estimate of \$239,000. The amount recommended is to be derived by transfer from funds available to the Fish and Wildlife Service.

In making this recommendation the committee does not approve the reorganization of the Fish and Wildlife Service as presented in the supplemental estimate or the budget for fiscal year 1958. Therefore, the committee directs that no new regional offices be established and that no additional regional directors or assistant regional directors be appointed until the Congress has passed the Department of the Interior and related agencies appropriation bill for fiscal year 1958.

INDEPENDENT OFFICES

ALEXANDER HAMILTON BICENTENNIAL COMMISSION

The committee recommends the allowance of \$15,000 for the expenses of the Alexander Hamilton Bicentennial Commission. The amount recommended is the balance of the authorization for this Commission.

CHAPTER VII

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

GRANTS FOR STATE COMMITTEES ON EDUCATION BEYOND THE HIGH SCHOOL

In view of the fact that there is pending before the committee an appeal from the Department for the restoration of operating funds for the President's Committee on Education Beyond the High School, disallowed by the House in its consideration of the regular 1958 bill, the committee deems it advisable to consider the two items together, and will retain the budget estimate for this item for action in connection with H. R. 6287, making appropriations for fiscal year 1948.

PUBLIC HEALTH SERVICE

HOSPITALS AND MEDICAL CARE

The Department did not request restoration of the \$76,000 reduction effected by House action, but did appeal for a rewording of the limitation written in by the House "of which \$580,000 shall be available only for the cost of hospitalization of dependents and retired personnel under the Dependents' Medical Care Act, Public Law 569, 84th Congress."

The committee recommends the substitution of the words, "payments for medical care" in lieu of the words "the cost of hospitalization" as the latter are more restrictive and would not permit the financing of certain care authorized by the cited act.

FOREIGN QUARANTINE SERVICE

The committee recommends the inclusion of the provision authorizing the 24-hour quarantine inspection of carriers, identical to that contained in House Joint Resolution 310, passed by the Senate on April 17, which in turn was patterned on the compromise effected in the committee of conference on the urgent deficiency appropriation bill, H. R. 4249, neither of which pending bills has been enacted into law.

CHAPTER VIII

PUBLIC WORKS

DEPARTMENT OF THE INTERIOR

SOUTHEASTERN POWER ADMINISTRATION

OPERATION AND MAINTENANCE

The committee recommends the allowance of \$35,000 for "Operation maintenance, Southeastern Power Administration." The recommendation is a decrease of \$10,000 below the supplemental estimate of \$45,000. The recommended allowance is to be derived by transfer from "Operation and maintenance, Southwestern Power Administration."

The funds recommended are required to meet contractual commitments of the agency for the purchase of electric power and wheeling charges under its contracts with the private utilities in the area.

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

DEPARTMENT OF THE ARMY

RIVERS AND HARBORS AND FLOOD CONTROL

CONSTRUCTION, GENERAL

The committee recommends the following amendment:

RIVERS AND HARBORS AND FLOOD CONTROL

CONSTRUCTION, GENERAL

That portion of title III of the Act of July 2, 1956 (Public Law 641, Eighty-fourth Congress, 70 Stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of \$1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts numbered H. H. 3170 and H. H. 3168, and not to exceed \$2,000,000 shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Junior, and the heirs of A. Desjarlais, on or before September 15, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: Provided, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208 C of the Buford-Trenton project, Williams County, North Dakota, according to the recorded plat thereof which tract is owned by Lester G. Larson, the

public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Junior, now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: Provided further, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the Act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and the Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

CHAPTER IX

DEPARTMENT OF STATE

SALARIES AND EXPENSES

The committee recommends an appropriation of \$1,000,000 which is an increase of \$499,600 over the House bill and a reduction of \$200,000 in the revised estimate. These additional funds are required to finance salary adjustments under Public Law 828. The committee is not authorizing additional funds for payments to deputy chiefs of missions for official residence allowances and for medical care for dependents as it expects the Department to finance this request out of funds already available to the Department of State in fiscal year 1957.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

Language has been included in the bill by the committee authorizing the transfer of not to exceed \$300,000 to this appropriation from any other appropriations available to the Department of Justice for the fiscal year 1957.

FUNDS APPROPRIATED TO THE PRESIDENT

PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

The committee recommends an appropriation of \$1,500,000 for this purpose, an increase of \$200,000 over the House bill and the full amount of the budget estimate.

CHAPTER XI
LEGISLATIVE BRANCH

SENATE

The committee recommends that the following paragraph be added to the bill:

SENATE

For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, \$22,500.

CONTINGENT EXPENSES OF THE SENATE

The committee recommends an additional \$30,000 for Senate kitchens and restaurants to enable the contractor to comply with the directive of the Senate Rules Committee that increases in wages of Nationwide's employees in the Senate restaurant facilities be granted.

STATIONERY

It is recommended by the committee that the following paragraph be added to the bill:

There is hereby established within the Contingent Fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation "Contingent Expenses, Senate, Stationery, fiscal year 1957", (2) any amounts hereafter appropriated for stationery allowanees of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the Contingent Fund of the Senate for stationery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year and (2) allowanees which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund.

The Secretary of the Senate recently directed a survey of the operations of the Senate Stationery Room. Representatives of the Committee on Rules and Administration and the General Accounting Office participated in the discussions and it was unanimously agreed that a revolving fund would improve procurement practices as well as eliminate difficulties encountered because of the fiscal year limitations involved in the present operation. This transition from fiscal year accounting to revolving fund, if approved, will in no way affect the procedure on allowances or appropriations provided presently.

GENERAL PROVISION

The following provision is recommended for inclusion in the bill:

GENERAL PROVISION

Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement.

Enactment of this language will eliminate the necessity of maintaining accounts in the Treasury and in the General Accounting Office and will provide authority for the payment of claims against current appropriations.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS

The committee has included an item of \$8,000 to cover the cost of the salaries of 5 elevator operators at the rate of \$3,200 per annum each for the 6-month period December 28, 1956 to June 30, 1957 to operate the 2 additional elevators installed in the Senate wing of the Capitol.

The committee recommends that the following paragraph be added to the bill:

Not to exceed \$25,000 of the amount of \$60,000 under the heading "Capitol Buildings" continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of two additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the two elevators in the Senate wing located adjacent to the two additional elevators, and is continued available until June 30, 1958.

The proposed amendment makes available not to exceed \$25,000 of an unobligated balance for the purpose of repairs and improvements to the 2 elevators located adjacent to the 2 new elevators, so as to place all 4 of the elevators at the main east front entrance to the Senate wing in first-class modern condition.

SENATE OFFICE BUILDING

The committee recommends an appropriation of \$17,000 for salaries and expenses of the Senate Office Building to pay retroactive pay increases to Senate Office Building wage-board employees under the Architect of the Capitol, effective December 2, 1956.

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS AND JUDGMENTS

The committee recommends an appropriation of \$1,709,157 for the payment of claims for damages, audited claims, and judgments. Details with respect to these items appear in Senate Document No. 38.

COMPARATIVE STATEMENT OF BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	DEPARTMENT OF AGRICULTURE					
	AGRICULTURAL RESEARCH SERVICE					
115	Salaries and expenses: Research.....	(1)	(1)	(1)	-----	-----
115	Payments to States, Hawaii, Alaska, and Puerto Rico: Penalty mail ²	(\$250, 000)	(\$250, 000)	(\$250, 000)	-----	-----
	EXTENSION SERVICE					
115	Federal Extension Service: Penalty mail ² ..	(514, 000)	(514, 000)	(514, 000)	-----	-----
	AGRICULTURAL CONSERVATION PROGRAM					
48	Emergency conservation measures	² (25, 000, 000)	-----	15, 000, 000	+\$15, 000, 000	+\$15, 000, 000
S. 36 115	} Emergency range conservation ²	(25, 000, 000)	-----	(25, 000, 000)	-----	(+ 25, 000, 000)
	FARMERS HOME ADMINISTRATION					
48	Disaster Loan Revolving Fund	(25, 000, 000)	-----	(15, 000, 000)	(- 10, 000, 000)	(+ 15, 000, 000)
48	Loan authorization	(26, 000, 000)	-----	(26, 000, 000)	-----	(+ 26, 000, 000)
	OFFICE OF THE SECRETARY					
115	Salaries and expenses ²	(23, 400)	(23, 400)	(23, 400)	-----	-----

115	COMMODITY CREDIT CORPORATION	(2, 500, 000)	(2, 000, 000)	(2, 000, 000)	(-500, 000)	-----
	Administrative expense limitation-----	-----	-----	-----	+15, 000, 000	-----
	Total, Chapter I-----	-----	-----	-----	-----	-----
115	DEPARTMENT OF COMMERCE	(55, 000)	(55, 000)	(55, 000)	-----	-----
	Coast and Geodetic Survey	-----	-----	-----	-----	-----
	Salaries and expenses ² -----	-----	-----	-----	-----	-----
115	RELATED AGENCIES	-----	-----	-----	-----	-----
	Panama Canal Company	-----	-----	-----	-----	-----
	Panama Canal Bridge-----	1, 000, 000	-----	1, 000, 000	-----	+1, 000, 000
115	TARIFF COMMISSION	25, 000	25, 000	25, 000	-----	-----
	Salaries and expenses-----	-----	-----	-----	-----	-----
	Total, Chapter II-----	1, 025, 000	25, 000	1, 025, 000	-----	+1, 000, 000
S. 36	DEPARTMENT OF DEFENSE	-----	-----	-----	-----	-----
	DEPARTMENT OF THE ARMY	-----	-----	-----	-----	-----
	Military personnel ² -----	(27, 444, 000)	-----	(27, 444, 000)	-----	(+27, 444, 000)
115	DEPARTMENT OF THE NAVY	-----	-----	-----	-----	-----
	Medical care, Navy ² -----	(12, 200, 000)	(10, 000, 000)	(10, 000, 000)	(-2, 200, 000)	-----
	Service-wide supply and finance ² -----	(8, 000, 000)	(8, 000, 000)	(8, 000, 000)	-----	-----

See footnotes at end of table, p. 29.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	DEPARTMENT OF DEFENSE—Con.					
	DEPARTMENT OF THE AIR FORCE					
115	Military personnel ²	(\$30, 335, 000)	(\$30, 335, 000)	(\$30, 335, 000)		
	Total, Chapter III					
	GENERAL GOVERNMENT MATTERS					
	AMERICAN BATTLE MONUMENTS COMMISSION					
	Construction of memorials and cemeteries			(1)		
	COMMISSION ON GOVERNMENT SECURITY					
115	Salaries and expenses	(1)	(1)	(1)		
	Total, Chapter IV					
	INDEPENDENT OFFICES					
	CIVIL SERVICE COMMISSION					
115	Salaries and expenses	150, 000			—\$150, 000	
115	Annuities, Panama Canal construction em- ployees and Lighthouse Service widows	552, 000	500, 000	500, 000	—52, 000	
115	Employees' life insurance fund, adminis- trative expenses (increase in limitation)	(76, 500)		(76, 500)		(+ \$76, 500)

GENERAL SERVICES ADMINISTRATION				
115	Public Buildings Service, operating expenses-----	1, 220, 000	900, 000	900, 000
S. 36	Operating expenses, Federal supply service-----	(3)	-----	-----320, 000
	HOUSING AND HOME FINANCE AGENCY			
	Office of the Administrator:			
115	Housing studies, administrative expenses-----	170, 000	-----	-----170, 000
115	Housing studies-----	800, 000	-----	-----800, 000
115	Federal Flood Indemnity Administration-----	50, 000, 000	-----	-----36, 000, 000
115	Federal National Mortgage Association (increase in limitation)-----	(200, 000)	-----	-----14, 000, 000
	VETERANS ADMINISTRATION			
115	Medical administration and miscellaneous operating expenses-----	(1)	-----	-----(-200, 000)
115	Inpatient care (transfers)-----	(3, 000, 000)	(1)	(2, 000, 000)
115	Readjustment benefits-----	77, 000, 000	65, 000, 000	(-1, 000, 000)
115	Automobiles and other conveyances for disabled veterans (transfer)-----	(1, 000, 000)	(850, 000)	-12, 000, 000
	Total, Chapter V-----	129, 892, 000	66, 400, 000	(-150, 000)
			80, 400, 000	-49, 492, 000
				+14, 000, 000

See footnotes at end of table, p. 29.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	DEPARTMENT OF THE INTERIOR					
	OFFICE OF THE SECRETARY					
48	Acquisition of strategic materials-----	\$30, 000, 000	-----	\$30, 000, 000	-----	+ \$30, 000, 000
	BUREAU OF INDIAN AFFAIRS					
S. 36	Resources management ² -----	(150, 000)	-----	(150, 000)	-----	(+ 150, 000)
115	Resources management ² -----	(133, 000)	(\$133, 000)	(133, 000)	-----	-----
	FISH AND WILDLIFE SERVICE					
115	General administrative expenses ² -----	(239, 000)	(75, 000)	(75, 000)	(- \$164, 000)	-----
	ADMINISTRATION, DEPARTMENT OF THE INTERIOR					
115	Salaries and expenses ² -----	(75, 700)	(65, 000)	(65, 000)	(- 10, 700)	-----
	DEPARTMENT OF AGRICULTURE					
	FOREST SERVICE					
	SALARIES AND EXPENSES					
115	Control of forest pests ² -----	(800, 000)	(800, 000)	(800, 000)	-----	-----

INDEPENDENT OFFICES									
	Alexander Hamilton Bicentennial Commission-----							15, 000	+ 15, 000
	INDIAN CLAIMS COMMISSION								
115	Salaries and expenses-----	7, 700		7, 700				7, 700	
	SMITHSONIAN INSTITUTION								
115	Salaries and expenses, National Gallery of Art-----	30, 000		30, 000				30, 000	
	Total, Chapter VI-----	30, 037, 700		37, 700				30, 052, 700	+ 15, 000
	DEPARTMENT OF LABOR								+ 30, 015, 000
	OFFICE OF THE SECRETARY								
115	Salaries and expenses-----	(24, 000)		(24, 000)				(24, 000)	
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE								
	FREEDMEN'S HOSPITAL								
115	Salaries and expenses-----	60, 200		46, 400				46, 400	- 13, 800
	OFFICE OF EDUCATION								
115	Grants for State committees on education beyond the high school-----	650, 000							- 650, 000
	PUBLIC HEALTH SERVICE								
	Foreign Quarantine Service-----	67, 500						(1)	- 67, 500
115	Hospitals and medical care-----	1, 260, 000		1, 184, 000				² 1, 184, 000	- 76, 000

See footnotes at end of table, p. 29.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	DEPARTMENT OF HEALTH, EDU- CATION, AND WELFARE—Continued					
	SAINT ELIZABETHS HOSPITAL					
115	Salaries and expenses-----	\$133, 000	\$133, 000	\$133, 000	-----	-----
115	Construction and equipment, maximum security building-----	673, 000	673, 000	673, 000	-----	-----
	OFFICE OF THE SECRETARY					
115	Salaries and expenses, Office of Field Ad- ministration-----	(68, 000)	(68, 000)	(68, 000)	-----	-----
	Total, Department of Health, Edu- cation, and Welfare-----	2, 843, 700	2, 036, 400	2, 036, 400	-\$807, 300	-----
	NATIONAL MEDIATION BOARD					
115	Salaries and expenses-----	(15, 500)	(15, 500)	(15, 500)	-----	-----
	NATIONAL RAILROAD ADJUSTMENT BOARD					
115	Salaries and expenses-----	Language	Language	Language	-----	-----
	RAILROAD RETIREMENT BOARD					
115	Salaries and expenses-----	(600, 000)	(600, 000)	(600, 000)	-----	-----

115	U. S. SOLDIERS HOME	(79, 000)	(79, 000)	(79, 000)	
	Maintenance and operation-----				-----
115	DEPARTMENT OF THE ARMY	2, 843, 700	2, 036, 400	2, 036, 400	- 807, 300
	PUBLIC WORKS				
115	DEPARTMENT OF DEFENSE--	269, 000	159, 000	159, 000	- 110, 000
	CIVIL FUNCTIONS				
115	DEPARTMENT OF THE INTERIOR	(45, 000)		(35, 000)	(- 10, 000)
	Southeastern Power Administration: John Kerr project ² -----				(+ \$35, 000)
115	DEPARTMENT OF STATE	2, 200, 000	500, 400	1, 000, 000	- 1, 200, 000
	Salaries and expenses-----				+ 499, 600
115	Emergencies in the diplomatic and consular service-----		725, 000	725, 000	+ 725, 000
	Contributions to international organizations-----	7, 464, 384	4, 169, 409	4, 169, 409	- 3, 294, 975
115	International contingencies-----	450, 000	225, 000	225, 000	- 225, 000
	Total, Department of State-----	10, 114, 384	5, 619, 809	6, 119, 409	- 3, 994, 975
					+ 499, 600

See footnotes at end of table, p. 23.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	DEPARTMENT OF JUSTICE					
	LEGAL ACTIVITIES AND GENERAL ADMINISTRATION					
	Salaries and expenses, United States attor- neys and marshals ² -----	(\$300, 000)	-----	(\$300, 000)	-----	(\$+300, 000)
	THE JUDICIARY					
	SUPREME COURT OF THE UNITED STATES					
144	Care of the building and grounds-----	7, 500	\$7, 500	7, 500	-----	-----
	COURT OF CLAIMS					
115	Salaries and expenses-----	50, 400	34, 400	34, 400	-\$16, 000	-----
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
115	Salaries of judges ² -----	1 (300, 000)	1 (300, 000)	(300, 000)	-----	-----
115	Fees of jurors and commissioners-----	160, 000	160, 000	160, 000	-----	-----
115	Salaries of referees-----	(253, 000)	(253, 000)	(253, 000)	-----	-----
115	Expenses of referees-----	(79, 900)	(57, 000)	(57, 000)	(-22, 900)	-----
	Total, The Judiciary-----	217, 900	201, 900	201, 900	-16, 000	-----

FUNDS APPROPRIATED TO THE PRESIDENT					
115	President's special international program-----	1, 500, 000	1, 300, 000	1, 500, 000	-----
	Total, Chapter IX-----	11, 832, 284	7, 121, 709	7, 821, 309	-----4, 010, 975
	DISTRICT OF COLUMBIA				
	OPERATING EXPENSES				
115	Department of General Administration-----	(180, 000)	(180, 000)	(180, 000)	-----
115	Personal services, wage-scale employees-----	(415, 000)	(415, 000)	(415, 000)	-----
	CAPITAL OUTLAY				
115	Public building construction-----	(390, 000)	(390, 000)	(390, 000)	-----
	MISCELLANEOUS				
115	Settlement of claims and suits-----	(22, 798)	(22, 798)	(22, 798)	-----
115	Judgments-----	(347)	(347)	(347)	-----
115	Audited claims-----	(8, 062)	(8, 062)	(8, 062)	-----
	Total, Chapter X-----	(1, 016, 207)	(1, 016, 207)	(1, 016, 207)	-----
					-----+200, 000
					-----+699, 600

See footnotes at end of table, p. 29.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-), Senate bill compared with	
					Budget estimates	House bill
	LEGISLATIVE BRANCH					
	SENATE					
	Payment to the widow of Senator Joseph R. McCarthy-----			\$22, 500	+\$22, 500	+\$22, 500
	CONTINGENT EXPENSES					
	Senate Restaurants-----			30, 000	+30, 000	+30, 000
	Stationery-----			(1)	-----	-----
	General provisions-----			(1)	-----	-----
	HOUSE OF REPRESENTATIVES					
	CONTINGENT EXPENSES					
115	Folding documents-----	\$20, 000	\$9, 000	9, 000	-11, 000	-----
	CAPITOL POLICE					
115	General expenses-----	1, 500	-----	-----	-1, 500	-----
	EDUCATION OF SENATE, HOUSE, AND SUPREME COURT PAGES					
115	Education of pages-----	2, 240	2, 240	2, 240	-----	-----

GOVERNMENT PRINTING OFFICE

115	Printing and binding, 1956-----	1, 300, 000	1, 300, 000	-----	-----
ARCHITECT OF THE CAPITOL					
144	Office of the Architect, salaries-----	7, 500	7, 500	-----	-----
144	Capitol building-----	13, 500	13, 500	-----	-----
	Capitol building-----		8, 000	+ 8, 000	+ 8, 000
	Capitol building-----		(¹)	-----	-----
	Senate Office building-----	17, 000	17, 000	-----	+ 17, 000
	Total, Chapter XI-----	1, 361, 740	1, 409, 740	+ 48, 000	+ 77, 500
JUDGMENTS AND AUTHORIZED CLAIMS					
156	Judgments and authorized claims-----	4, 437, 896	4, 437, 896	-----	+ 1, 709, 157
S. 38		181, 699, 320	142, 342, 045	- 39, 357, 275	+ 62, 501, 257
	Grand total-----				

¹ Language.² To be derived by transfer.³ Travel limitation increased from \$120,000 to \$135,000.⁴ Travel limitation increased from \$120,000 to \$130,000.

C

Calendar No. 315

85TH CONGRESS
1ST SESSION

H. R. 7221

[Report No. 310]

IN THE SENATE OF THE UNITED STATES

MAY 8, 1957

Read twice and referred to the Committee on Appropriations

MAY 15, 1957

Reported by Mr. HAYDEN, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1957, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations (this Act may be cited as the
6 “Third Supplemental Appropriation Act, 1957”) for the
7 fiscal year ending June 30, 1957, and for other purposes,
8 namely:

1

CHAPTER I

2

DEPARTMENT OF AGRICULTURE

3

AGRICULTURAL RESEARCH SERVICE

4

SALARIES AND EXPENSES

5

Research

6

7 The limitation under this head in the Department of
8 Agriculture and Farm Credit Administration Appropriation
9 Act, 1957, on the amount available for construction of build-

10

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

11

Penalty Mail

12

13 For penalty mail costs of agricultural experiment sta-
14 tions, under section 6 of the Hatch Act of 1887, as amended,
15 \$250,000, to be derived by transfer from the appropriation
16 to the Extension Service for "Payments to States, Hawaii,
Alaska, and Puerto Rico", fiscal year 1957.

17

EXTENSION SERVICE

18

FEDERAL EXTENSION SERVICE

19

Penalty Mail

20

21 For an additional amount for "Penalty mail", including
22 penalty mail for State extension directors, \$514,000, to be
23 derived by transfer from the appropriation to the Extension
24 Service for "Payments to States, Hawaii, Alaska, and Puerto
Rico", fiscal year 1957.

1 *AGRICULTURAL CONSERVATION PROGRAM SERVICE*2 *EMERGENCY CONSERVATION MEASURES*

3 *For an additional amount to enable the Secretary to*
4 *make payments to farmers who carry out emergency meas-*
5 *ures to control wind erosion on farmlands or to rehabilitate*
6 *farmlands damaged by wind erosion, floods, hurricanes, or*
7 *other natural disasters when, as a result of the foregoing,*
8 *new conservation problems have been created which, (1)*
9 *if not treated, will impair or endanger the land, (2) ma-*
10 *terially affect the productive capacity of the land, (3)*
11 *represent damage which is unusual in character and, except*
12 *for wind erosion, is not the type which would recur fre-*
13 *quently in the same area, and (4) will be so costly to*
14 *rehabilitate that Federal assistance is or will be required*
15 *to return the land to productive agricultural use, and for*
16 *reimbursement to the appropriation to the President for*
17 *"Disaster relief", for allocations to the Secretary of Agri-*
18 *culture for such purposes, \$15,000,000: Provided, That*
19 *this appropriation may be expended without regard to the*
20 *adjustments required under section 8 (e) of the Soil Con-*
21 *servation and Domestic Allotment Act, as amended (16*
22 *U. S. C. 590h), and may be distributed among States and*
23 *individual farmers without regard to other provisions of law.*

EMERGENCY RANGE CONSERVATION

For expenses necessary to carry out the provisions of the Act of April 25, 1957 (Public Law 85-25), to remain available until December 31, 1958, \$25,000,000, to be derived from funds available for purposes of the Soil Bank Act under section 120 of that Act (70 Stat. 197).

FARMERS' HOME ADMINISTRATION

DISASTER LOAN REVOLVING FUND

Not to exceed \$15,000,000 of the Disaster Loan Revolving Fund established under the Act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said Act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88).

LOAN AUTHORIZATIONS

For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$26,000,000: Provided, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for administrative expenses of the Corporation, is increased from "\$31,000,000" to "\$33,000,000".

CHAPTER II

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$55,000, to be derived by transfer from the appropriation for "Expenses", National Bureau of Standards, fiscal year 1957; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for retirement pay of commissioned officers, is increased from "\$446,000" to "\$501,000".

PANAMA CANAL COMPANY

PANAMA CANAL BRIDGE

For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, Canal Zone, as authorized by the Act of July 23, 1956 (70 Stat. 596), \$1,000,000, to remain available until expended.

INDEPENDENT OFFICE

TARIFF COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$25,000.

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY

FUNCTIONS

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL

For an additional amount for "Military personnel", \$27,444,000, to be derived by transfer from the appropriation for "Procurement and production", Army.

DEPARTMENT OF THE NAVY

MEDICAL CARE

For an additional amount for "Medical care", \$10,000,000, to be derived by transfer from the appropriation for "Construction of ships".

1 SERVICE-WIDE SUPPLY AND FINANCE

2 For an additional amount for "Service-wide supply and
3 finance", \$8,000,000, of which \$5,000,000 shall be derived
4 by transfer from the appropriation for "Reserve Personnel,
5 Navy" and \$3,000,000 shall be derived by transfer from
6 the appropriation for "Military personnel, Marine Corps."

7 DEPARTMENT OF THE AIR FORCE

8 MILITARY PERSONNEL

9 For an additional amount for "Military personnel",
10 \$30,335,000, to be derived by transfer from the appropria-
11 tion for "Military construction", Air Force.

12 CHAPTER IV

13 AMERICAN BATTLE MONUMENTS COMMISSION

14 CONSTRUCTION OF MEMORIALS AND CEMETERIES

15 *To the extent that the Commission may find necessary*
16 *or desirable, the appropriation granted under this head in*
17 *the General Government Matters Appropriation Act, 1957,*
18 *shall be available for the purposes of the Act of April 2,*
19 *1956 (70 Stat. 84).*

20 COMMISSION ON GOVERNMENT SECURITY

21 SALARIES AND EXPENSES

22 The unobligated balance of the appropriation granted
23 under this head in Chapter V of the Supplemental Approp-
24 riation Act, 1957, shall remain available until September
25 28, 1957.

1 CHAPTER V
2 INDEPENDENT OFFICES
3 CIVIL SERVICE COMMISSION
4 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES
5 AND LIGHTHOUSE SERVICE WIDOWS

6 For an additional amount for "Annuities, Panama Canal
7 construction employees and Lighthouse Service widows",
8 \$500,000.

9 ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSUR-
10 ANCE FUND

11 *The limitation under this head in the Independent*
12 *Offices Appropriation Act, 1957, on the amount made avail-*
13 *able from the "Employees' life insurance fund", for reim-*
14 *bursement to the Civil Service Commission for adminis-*
15 *trative expenses incurred in the administration of the Fed-*
16 *eral Employees' Group Life Insurance Act, is increased*
17 *from "\$117,500" to "\$194,000.*

18 *Not to exceed \$23,000 of the funds in the "Employees'*
19 *life insurance fund" shall be available for reimbursement*
20 *to the Civil Service Commission during the fiscal year 1958,*
21 *for administrative expenses incurred by the Commission*
22 *during that fiscal year in the administration of said Act,*
23 *and such amount shall be in addition to any amounts other-*
24 *wise made available from the fund for such expenses for*
25 *the fiscal year 1958.*

1 GENERAL SERVICES ADMINISTRATION

2 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

3 For an additional amount for "Operating expenses, Pub-
4 lic Buildings Service", \$900,000.

5 OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

6 *The limitation under this head in the Independent Offices*
7 *Appropriation Act, 1957, on the amount available for ex-*
8 *penses of travel, is increased from "\$120,000" to*
9 *"\$130,000".*

10 HOUSING AND HOME FINANCE AGENCY

11 OFFICE OF THE ADMINISTRATOR

12 FEDERAL FLOOD INDEMNITY ADMINISTRATION

13 PAYMENT FOR FLOOD INDEMNITY OPERATIONS

14 *For payment of compensation for services rendered by*
15 *private organizations and persons pursuant to section 13*
16 *(a) of the Federal Flood Insurance Act of 1956 (70 Stat.*
17 *1078), for services and facilities of the Federal Reserve banks*
18 *and public agencies as authorized by section 13 (b) of said*
19 *Act, \$14,000,000, to remain available until expended.*

20 VETERANS ADMINISTRATION

21 INPATIENT CARE

22 ~~Notwithstanding~~ *For an additional amount for "In-*
23 *patient care", \$2,000,000, of which \$1,450,000 shall be*
24 *derived by transfer from the appropriation for "General*
25 *operating expenses", fiscal year 1957, and \$550,000 shall*

1 *be derived by transfer from the appropriation for "Out-*
 2 *patient care", fiscal year 1957: Provided, That, notwith-*
 3 *standing* the last proviso under this head in the Independent
 4 Offices Appropriation Act, 1957, inpatient care and treat-
 5 ment may be furnished to an average of 140,100
 6 beneficiaries during the current fiscal year without any pro-
 7 portionate reduction in expenditures.

8 READJUSTMENT BENEFITS

9 For an additional amount for "Readjustment benefits",
 10 \$65,000,000, to remain available until expended.

11 AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED 12 VETERANS

13 To enable the Administrator to provide, or assist in
 14 providing, automobiles or other conveyances for disabled
 15 veterans as authorized by the Act of October 20, 1951, as
 16 amended (38 U. S. C. 252a-252e), to remain available
 17 until expended, \$850,000, to be derived by transfer from the
 18 appropriation for "Compensation and pensions".

19 CHAPTER VI

20 DEPARTMENT OF INTERIOR

21 OFFICE OF THE SECRETARY

22 ACQUISITION OF STRATEGIC MINERALS

23 *For an additional amount for "Acquisition of strategic*
 24 *minerals", \$30,000,000, to remain available until December*
 25 *31, 1958.*

BUREAU OF INDIAN AFFAIRS

RESOURCES MANAGEMENT

For an additional amount for "Resources management", for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis, \$133,000, to be derived by transfer from the appropriation for "Education and welfare services", Bureau of Indian Affairs, fiscal year 1957.

For an additional amount for "Resources Management", \$283,000, to be derived by transfer from the appropriation "Education and welfare services", Bureau of Indian Affairs, fiscal year, 1957: Provided, That \$133,000 of the amount herein provided shall be for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis.

FISH AND WILDLIFE SERVICE

GENERAL ADMINISTRATIVE EXPENSES

For an additional amount for "General administrative expenses", not to exceed \$75,000, to be derived by transfer from the appropriations for the fiscal year 1957 for "Management of resources" and "Investigations of resources", Fish and Wildlife Service.

1 ADMINISTRATION, DEPARTMENT OF THE INTERIOR
2 SALARIES AND EXPENSES

3 For an additional amount for "Salaries and expenses",
4 \$65,000, to be derived by transfer from the appropriations
5 for the fiscal year 1957 for "Office of Oil and Gas", "Office
6 of the Solicitor", and "Office of Minerals Mobilization".

7 DEPARTMENT OF AGRICULTURE

8 FOREST SERVICE

9 SALARIES AND EXPENSES

10 For an additional amount for "Control of forest pests",
11 \$800,000, to be derived by transfer from any appropriation,
12 for the fiscal year 1957, available to the Department of
13 Agriculture for salaries and expenses (exclusive of such
14 appropriations which include funds for grants): *Provided*,
15 That the limitation under this head in the Department of the
16 Interior and Related Agencies Appropriation Act, 1957, on
17 the amount available for carrying out the Forest Pest Con-
18 trol Act, is increased from "\$2,386,000" to "\$3,186,000".

19 INDEPENDENT OFFICES

20 ALEXANDER HAMILTON BICENTENNIAL COMMISSION

21 For an additional amount for "Alexander Hamilton
22 Bicentennial Commission", \$15,000.

1 INDIAN CLAIMS COMMISSION

2 SALARIES AND EXPENSES

3 For an additional amount for "Salaries and expenses",
4 \$7,700.

5 SMITHSONIAN INSTITUTION

6 SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

7 For an additional amount for "Salaries and expenses,
8 National Gallery of Art", \$30,000.

9 CHAPTER VII

10 DEPARTMENT OF LABOR

11 OFFICE OF THE SECRETARY

12 SALARIES AND EXPENSES

13 For an additional amount for "Salaries and expenses",
14 \$24,000, to be derived by transfer in equal amounts from
15 the appropriations for the fiscal year 1957 for "Salaries
16 and expenses", Bureau of Labor Statistics, and "Salaries
17 and expenses", Wage and Hour Division.

18 DEPARTMENT OF HEALTH, EDUCATION, AND
19 WELFARE

20 FREEDMEN'S HOSPITAL

21 SALARIES AND EXPENSES

22 For an additional amount for "Salaries and expenses",
23 \$46,400.

PUBLIC HEALTH SERVICE

HOSPITALS AND MEDICAL CARE

For an additional amount for "Hospitals and medical care", \$1,184,000, of which \$580,000 shall be available only for the cost of hospitalization payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act, Public Law 569, Eighty-fourth Congress.

FOREIGN QUARANTINE SERVICE

Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service', when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, shall be paid, in lieu of compensation under any other pro-

1 vision of law, at the rate of one and one-half times the basic
2 hourly rate for each hour that the overtime extends beyond
3 6 o'clock (or 7 o'clock as the case may be) postmeridian,
4 and two times the basic hourly rate for each overtime hour
5 worked on Sundays or holidays. As used in this subsection,
6 the term 'basic hourly rate' shall mean the regular basic rate
7 of pay which is applicable to such employees for work per-
8 formed within their regularly scheduled tour of duty.

9 “(d) (1) The said extra compensation shall be paid to
10 the United States by the owner, agent, consignee, operator,
11 or master or other person in charge of any conveyance, for
12 whom, at his request, services as described in this subsection
13 (hereinafter referred to as overtime service) are performed.
14 If such employees have been ordered to report for duty and
15 have so reported, and the requested services are not per-
16 formed by reason of circumstances beyond the control of the
17 employees concerned, such extra compensation shall be paid
18 on the same basis as though the overtime services had actu-
19 ally been performed during the period between the time the
20 employees were ordered to report for duty and did so report,
21 and the time they were notified that their services would
22 not be required, and in any case as though their services had
23 continued for not less than one hour. The Surgeon General
24 with the approval of the Secretary of Health, Education,
25 and Welfare may prescribe regulations requiring the owner,

1 agent, consignee, operator, or master or other person for
2 whom the overtime services are performed to file a bond
3 in such amounts and containing such conditions and with
4 such sureties, or in lieu of a bond, to deposit money or obli-
5 gations of the United States in such amount, as will assure
6 the payment of charges under this subsection, which bond or
7 deposit may cover one or more transactions or all transactions
8 during a specified period: Provided, That no charges shall
9 be made for services performed in connection with the in-
10 spection of (1) persons arriving by international highways,
11 ferries, bridges, or tunnels, or the conveyances in which they
12 arrive, or (2) persons arriving by aircraft or railroad trains,
13 the operations of which are covered by published schedules,
14 or the aircraft or trains in which they arrive, or (3) persons
15 arriving by vessels operated between Canadian ports and
16 ports on Puget Sound or operated on the Great Lakes and
17 connecting waterways, the operations of which are covered
18 by published schedules, or the vessels in which they arrive.

19 “(2) Moneys collected under this subsection shall be
20 deposited in the Treasury of the United States to the credit
21 of the appropriation charged with the expense of the serv-
22 ices, and the appropriations so credited shall be available
23 for the payment of such compensation to the said employees
24 for services so rendered.”

1 SAINT ELIZABETHS HOSPITAL

2 SALARIES AND EXPENSES

3 For an additional amount for "Salaries and expenses",
4 \$133,000.

5 CONSTRUCTION AND EQUIPMENT, MAXIMUM SECURITY

6 BUILDING

7 For an additional amount for "Construction and equip-
8 ment, maximum security building", \$673,000, to remain
9 available until expended.

10 OFFICE OF THE SECRETARY

11 SALARIES AND EXPENSES, OFFICE OF FIELD

12 ADMINISTRATION

13 For an additional amount for "Salaries and expenses,
14 Office of Field Administration", \$68,000, to be transferred
15 from the Federal old-age and survivors insurance trust
16 fund.

17 NATIONAL MEDIATION BOARD

18 SALARIES AND EXPENSES

19 For additional amount for "Salaries and expenses",
20 \$15,500, to be derived by transfer from the appropriation
21 for "Salaries and expenses, National Railroad Adjustment
22 Board", fiscal year 1957.

1 NATIONAL RAILROAD ADJUSTMENT BOARD

2 SALARIES AND EXPENSES

3 The amount made available under this head for the
4 fiscal year 1957, for compensation and expenses of referees,
5 is decreased from "\$175,000" to "\$159,500".

6 RAILROAD RETIREMENT BOARD

7 SALARIES AND EXPENSES

8 For an additional amount for "Salaries and expenses,
9 Railroad Retirement Board (trust fund)", \$600,000, to be
10 derived from the railroad retirement account.

11 UNITED STATES SOLDIERS' HOME

12 For an additional amount for "United States Soldiers'
13 Home", to be paid from the Soldiers' Home permanent fund,
14 \$79,000.

15 CHAPTER VIII

16 PUBLIC WORKS

17 DEPARTMENT OF THE INTERIOR

18 SOUTHEASTERN POWER ADMINISTRATION

19 OPERATION AND MAINTENANCE

20 For an additional amount for "Operation and mainte-
21 nance, Southeastern Power Administration", \$35,000, to be
22 derived by transfer from the appropriation for "Operation
23 and maintenance, Southwestern Power Administration",
24 fiscal year 1957.

1 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

2 DEPARTMENT OF THE ARMY

3 ENTOMBMENT OF UNKNOWN AMERICANS OF

4 WORLD WAR II AND KOREA

5 For expenses, not otherwise provided for, incident to
6 the selection and burial, with appropriate ceremonies, of the
7 remains of an unknown American who lost his life while
8 serving overseas in the Armed Forces of the United States
9 during World War II, as authorized by the Act of June
10 24, 1946 (60 Stat. 302), and the remains of an unknown
11 American who lost his life while serving in the Armed
12 Forces of the United States during the Korean conflict,
13 as authorized by the Act of August 3, 1956 (70 Stat. 1027),
14 including construction of two crypts and necessary alterations
15 to the existing Tomb of the Unknown Soldier in Arlington
16 National Cemetery, \$159,000, to remain available until June
17 30, 1958.

18 *RIVERS AND HARBORS AND FLOOD CONTROL*19 *CONSTRUCTION, GENERAL*

20 *That portion of title III of the Act of July 2, 1956*
21 *(Public Law 641, Eighty-fourth Congress, 70 Stat. 474,*
22 *480), that pertains to the purchase of lands and improve-*
23 *ments in the Buford-Trenton Irrigation District in lieu of*
24 *protecting said Buford-Trenton Irrigation District in con-*

1 nection with development, construction, and operation of the
2 Garrison Dam and Reservoir project on the Missouri River,
3 is amended to read as follows:

4 *“That in lieu of protecting the East Bottom of Buford-*
5 *Trenton Irrigation District, the sum of \$1,621,791 of the*
6 *funds herein or hereafter appropriated for the Garrison Dam*
7 *and Reservoir project on the Missouri River shall be avail-*
8 *able for the purchase of lands and improvements in and con-*
9 *tiguous to the Buford-Trenton Irrigation District, exclusive*
10 *of tracts numbered H. H. 3170 and H. H. 3168, and not to*
11 *exceed \$2,000,000 shall be available to the Corps of Engi-*
12 *neers for protection of the intake structure of the pumping*
13 *plant in Zero Bottom and for the construction of bank protec-*
14 *tion to prevent erosion in the Missouri River adjacent to the*
15 *Buford-Trenton irrigation project. The substitution of land*
16 *acquisition for protection shall be made and the Secretary*
17 *of the Army shall acquire such land and improvements if*
18 *all of the landowners, except Lester G. Larson, the heirs of*
19 *Louis Morin, Junior, and the heirs of A. Desjarlais, on or*
20 *before September 15, 1957, have offered to sell their property*
21 *on the terms agreeable to said landowners, and within the*
22 *amount provided for such land acquisition: Provided, That*
23 *the Chief of Engineers, United States Army, is authorized*
24 *to acquire by condemnation proceedings, in the appropriate*
25 *United States district court, tract 208 C of the Buford-Tren-*

1 *ton project, Williams County, North Dakota, according to the*
2 *recorded plat thereof which tract is owned by Lester G. Lar-*
3 *son, the public domain allotment of A. Desjarlais, now de-*
4 *ceased, described as Government lots 5 and 8 in section 19*
5 *and Government lot 1 in section 30, township 153 north of*
6 *range 102 west of the fifth principal meridian, North Dakota,*
7 *and the public domain allotment of Louis Morin, Junior, now*
8 *deceased, described as the west half southwest quarter, section*
9 *16, and the north half southeast quarter, section 17, township*
10 *153 north, range 102 west, fifth principal meridian, North*
11 *Dakota, in connection with the construction and operation of*
12 *the Garrison Dam and Reservoir: Provided further, That in*
13 *the event land acquisition is undertaken in lieu of protection*
14 *of the East Bottom, that in recognition of the increased per*
15 *acre annual operation and maintenance cost of the remain-*
16 *ing lands in the Buford-Trenton Irrigation District, the con-*
17 *struction charge obligation assignable to the remaining lands*
18 *of said district pursuant to the Act of October 14, 1940 (54*
19 *Stat. 119), as amended, and the proposed contract between*
20 *the United States and the Buford-Trenton Irrigation District,*
21 *approved as to form February 23, 1955, shall be nonreim-*
22 *bursable, and the Secretary of the Interior is authorized and*

1 *directed to enter into a contract with the Buford-Trenton*
 2 *Irrigation District to transfer operation and maintenance*
 3 *responsibility for project works constructed by the Bureau of*
 4 *Reclamation for the benefit of the Buford-Trenton Irrigation*
 5 *District to such district."*

6 CHAPTER IX

7 DEPARTMENT OF STATE

8 ADMINISTRATION OF FOREIGN AFFAIRS

9 SALARIES AND EXPENSES

10 For an additional amount for "Salaries and expenses",
 11 ~~\$500,400~~ \$1,000,000.

12 EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

13 For an additional amount for "Emergencies in the diplo-
 14 matic and consular service", \$725,000.

15 INTERNATIONAL ORGANIZATIONS AND CONFERENCES

16 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

17 For an additional amount for "Contributions to interna-
 18 tional organizations", \$4,169,409, of which \$3,333,000 shall
 19 be available for payment to the United Nations as contribu-
 20 tions for the United Nations Emergency Force.

21 INTERNATIONAL CONTINGENCIES

22 For an additional amount for "International contin-
 23 gencies", \$225,000.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

AND MARSHALS

For an additional amount for "Salaries and expenses, United States attorneys and marshals", not to exceed \$300,000, to be derived by transfer from any appropriation available to the Department of Justice for the fiscal year 1957.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For an additional amount for "Care of the building and grounds", \$7,500.

The appropriation "Care of the building and grounds", for the fiscal year 1957, shall be available for payment of retroactive wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

COURT OF CLAIMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$34,400.

1 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

2 JUDICIAL SERVICES

3 SALARIES OF JUDGES

4 For an additional amount for "Salaries of judges",
5 \$300,000, to be derived by transfer from the appropriation
6 for "Salaries of supporting personnel", fiscal year 1957.

7 FEES OF JURORS AND COMMISSIONERS

8 For an additional amount for "Fees of jurors and
9 commissioners", \$160,000.

10 SALARIES OF REFEREES

11 For an additional amount for "Salaries of referees",
12 \$253,000, to be derived from the referees' salary fund
13 established in pursuance of the Act of June 28, 1946, as
14 amended (11 U. S. C. 68).

15 EXPENSES OF REFEREES

16 For an additional amount for "Expenses of referees",
17 \$57,000, to be derived from the referees' expense fund
18 established in pursuance of the Act of June 28, 1946, as
19 amended (11 U. S. C. 68 (c) (4)).

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

22 For an additional amount for the "President's special
23 international program", for United States participation in
24 the Universal and International Exhibition of Brussels, 1958,
25 ~~\$1,300,000~~ \$1,500,000, to remain available until expended.

CHAPTER X

DISTRICT OF COLUMBIA

(Out of District of Columbia funds)

OPERATING EXPENSES

DEPARTMENT OF GENERAL ADMINISTRATION

For an additional amount for "Department of General Administration", \$180,000.

PERSONAL SERVICES, WAGE-SCALE EMPLOYEES

For pay increases for wage-scale employees, to be transferred by the Commissioners of the District of Columbia to the appropriations and funds of said District for the fiscal year 1957 from which said employees are properly payable, \$415,000, of which \$54,700 shall be payable from the highway fund, \$36,500 from the water fund, and \$20,300 from the sanitary sewage works fund; said increases in compensation to be effective on the first day of the first pay period beginning after February 1, 1957: *Provided*, That no retroactive compensation or salary shall be payable in the case of any individual not in the service of the municipal government of the District of Columbia on the date of approval of this Act, except that such retroactive compensation or salary shall be paid in the case of a deceased officer or employee, or of a retired officer or employee, for services rendered after the effective date of the increase: *Provided further*, That for the purpose of determining the amount of insurance for which

1 an individual is eligible under the Federal Employees' Group
2 Life Insurance Act of 1954, all changes in rates of com-
3 pensation or salary which result as provided herein shall be
4 held and considered to be effective as of the first day of the
5 first pay period which begins on or after the date of enact-
6 ment of this Act.

7 CAPITAL OUTLAY

8 PUBLIC BUILDING CONSTRUCTION

9 For an additional amount for "Capital outlay, public
10 building construction", to cover the increased estimated cost
11 of the Anacostia Senior High School addition, to remain
12 available until expended, \$390,000, of which \$15,000 shall
13 be available for construction services by the Director of the
14 Department of Buildings and Grounds.

15 MISCELLANEOUS

16 SETTLEMENT OF CLAIMS AND SUITS

17 For the payment of claims in excess of \$250, approved
18 by the Commissioners in accordance with the provisions of
19 the Act of February 11, 1929, as amended (45 Stat. 1160;
20 46 Stat. 500; 65 Stat. 131), \$22,798.

21 JUDGMENTS

22 For the payment of final judgments rendered against the
23 District of Columbia, as set forth in House Document Num-

bered 115 (Eighty-fifth Congress), \$347, together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia, as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1956 and prior fiscal years, as set forth in House Document Numbered 115 (Eighty-fifth Congress), \$8,062, together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 per centum per annum as provided by law (Act of July 10, 1952, 66 Stat. 546, sec. 14d).

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriations Acts for the fiscal years involved.

CHAPTER XI

LEGISLATIVE BRANCH

SENATE

For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, \$22,500.

CONTINGENT EXPENSES OF THE SENATE

Senate Restaurants: For an additional amount for Senate kitchens and restaurants, \$30,000.

There is hereby established within the Contingent Fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation "Contingent Expenses, Senate, Stationery, fiscal year 1957", (2) any amounts hereafter appropriated for stationery allowances of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the Contingent Fund of the Senate for sta-

tionery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year and (2) allowances which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund.

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

The sum of not to exceed \$45 may be transferred between the appropriations "Official Reporters of Debates" and "Contingent expenses of the House, miscellaneous items".

CONTINGENT EXPENSES OF THE HOUSE

Folding Documents

For an additional amount for "Folding documents", \$9,000.

EDUCATION OF SENATE, HOUSE, AND SUPREME COURT

PAGES

For an additional amount for "Education of Senate, House, and Supreme Court pages", \$2,240.

GOVERNMENT PRINTING OFFICE

PRINTING AND BINDING

For an additional amount for "Printing and binding", fiscal year 1956, \$1,300,000.

1 ARCHITECT OF THE CAPITOL
 2 OFFICE OF THE ARCHITECT OF THE CAPITOL
 3 SALARIES

4 For an additional amount for "Salaries", \$7,500.

5 TRAVEL LIMITATION

6 The limitation on expenses for travel on official business
 7 under the Architect of the Capitol contained in the Legisla-
 8 tive Branch Appropriation Act, 1957, is hereby increased by
 9 \$4,500.

10 PAY INCREASES, WAGE-BOARD EMPLOYEES

11 Appropriations for the fiscal year 1957 available for
 12 expenditure by the Architect of the Capitol shall be available
 13 for payment of retroactive wage-board pay increases ef-
 14 fective December 2, 1956, to those employees (commonly
 15 known as wage-board employees) whose compensation is
 16 fixed and adjusted from time to time in accordance with
 17 prevailing rates (5 U. S. C. 1082 (7)).

18 CAPITOL BUILDINGS AND GROUNDS

19 CAPITOL BUILDINGS

20 For an additional amount for "Capitol Buildings",
 21 ~~\$13,500~~ \$21,500.

22 *Not to exceed \$25,000 of the amount of \$60,000 under*
 23 *the heading "Capitol Buildings" continued available for the*
 24 *fiscal year 1957 in the Legislative Branch Appropriation*
 25 *Act, 1957, for the installation of two additional elevators in*

1 the Senate wing of the Capitol, is hereby made available for
2 expenditure without regard to section 3709 of the Revised
3 Statutes, as amended, for repairs and improvements to the
4 two elevators in the Senate wing located adjacent to the two
5 additional elevators, and is continued available until June
6 30, 1958.

7 SENATE OFFICE BUILDING

8 For an additional amount for "Senate Office Building",
9 \$17,000.

10 UNIFORM ALLOWANCES

11 The appropriations for "Capitol Buildings", "Senate
12 Office Building", and "House Office Buildings", for the fiscal
13 year 1957, shall be available for uniforms or allowances
14 therefor, as authorized by the Act of September 1, 1954, as
15 amended (5 U. S. C. 2131).

16 BOTANIC GARDEN

17 SALARIES AND EXPENSES

18 The appropriation for "Salaries and expenses", for the
19 fiscal year 1957, shall be available for payment of retro-
20 active wage-board pay increases effective December 2, 1956,
21 to those employees (commonly known as wage-board em-
22 ployees) whose compensation is fixed and adjusted from time
23 to time in accordance with prevailing rates (5 U. S. C.
24 1082 (7)).

GENERAL PROVISION

1
2 *Notwithstanding the provisions of any other law, the un-*
3 *expended balances of appropriations for the fiscal year 1955*
4 *and succeeding fiscal years which are subject to disbursement*
5 *by the Secretary of the Senate or the Clerk of the House*
6 *of Representatives shall be withdrawn as of June 30 of*
7 *the second fiscal year following the year for which provided.*
8 *Unpaid obligations chargeable to any of the balances so with-*
9 *drawn or appropriations for prior years shall be liquidated*
10 *from any appropriations for the same general purpose, which,*
11 *at the time of payment, are available for disbursement.*

CHAPTER XII

13 CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND
14 JUDGMENTS

15 For payment of claims for damages as settled and deter-
16 mined by departments and agencies in accord with law,
17 audited claims certified to be due by the General Accounting
18 Office, and judgments rendered against the United States by
19 United States district courts and the United States Court of
20 Claims, as set forth in House Document Numbered 156,
21 Eighty-fifth Congress, and Senate Document Numbered 38,
22 *Eighty-fifth Congress, \$2,728,739 \$4,437,896*, together with
23 such amounts as may be necessary to pay interest (as and
24 when specified in such judgments or in certain of the settle-
25 ments of the General Accounting Office or provided by law)

1 and such additional sums due to increases in rates of exchange
2 as may be necessary to pay claims in foreign currency:
3 *Provided*, That no judgment herein appropriated for shall
4 be paid until it shall have become final and conclusive
5 against the United States by failure of the parties to appeal
6 or otherwise: *Provided further*, That, unless otherwise
7 specifically required by law or by the judgment, payment of
8 interest wherever appropriated for herein shall not continue
9 for more than thirty days after the date of approval of this
10 Act.

Passed the House of Representatives May 7, 1957.

Attest:

RALPH R. ROBERTS,

Clerk.

85TH CONGRESS
1ST Session

H. R. 7221

[Report No. 310]

AN ACT

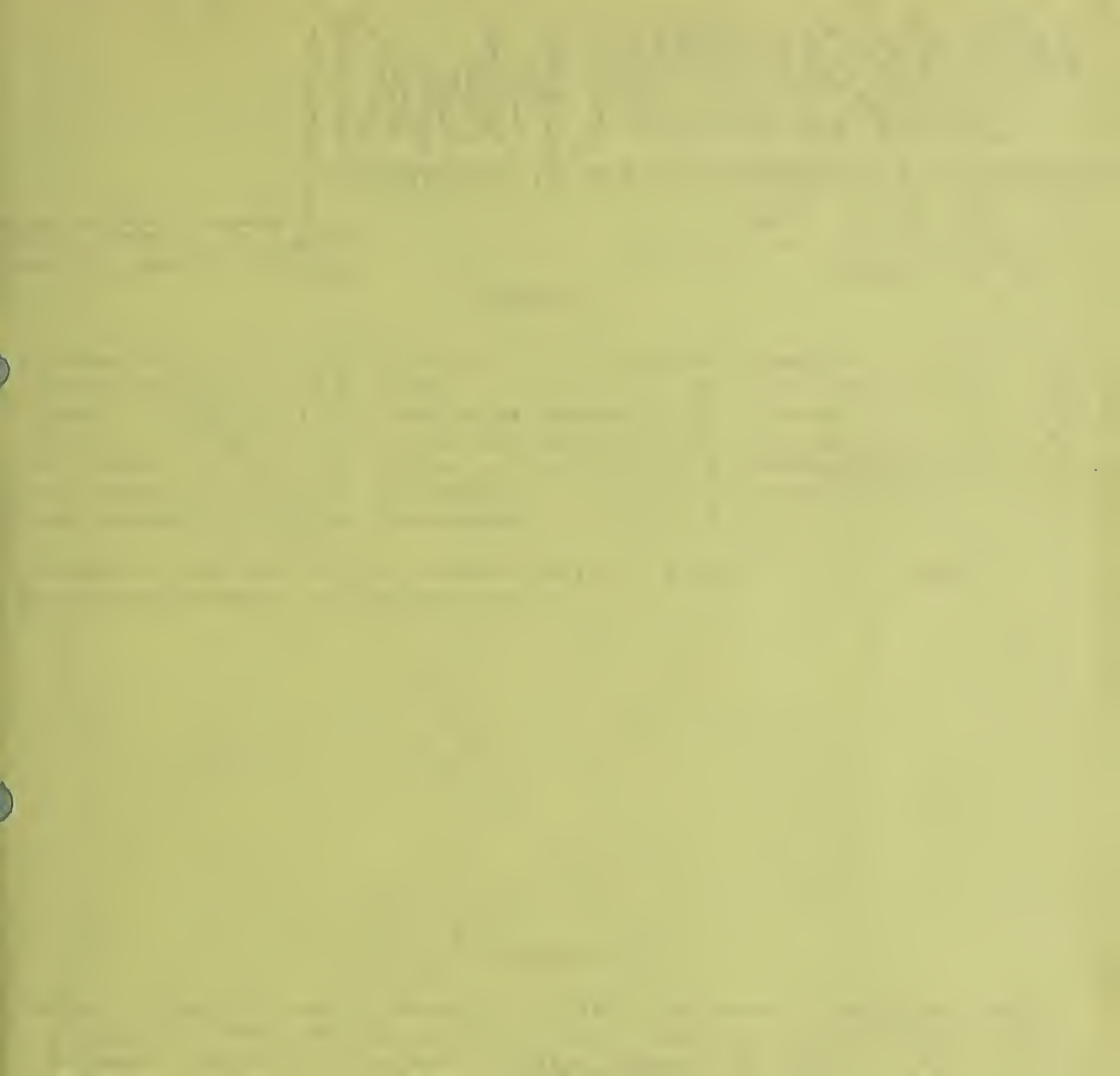
Making supplemental appropriations for the
fiscal year ending June 30, 1957, and for
other purposes.

MAY 8, 1957

Read twice and referred to the Committee on
Appropriations

MAY 15, 1957

Reported with amendments



AN ACT

to amend the act approved July 1, 1912, relating to the
protection of the public health, and for other purposes

SECTION 1.

That the following be and they are hereby

enacted:

SECTION 2.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 20, 1957
For actions of May 17, 1957
85th-1st, No. 83

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HIGHLIGHTS: Sen. Hickenlooper inserted Secretary's Iowa State Club speech.
Senate passed Commerce appropriation bill.

SENATE

1. APPROPRIATIONS. Passed as reported H.R. 6700, the Commerce Department appropriation bill for 1958 (pp. 6377-92). Sens. Barrett, Holland, Chavez, and Neuberger discussed the problem of forest highways (pp. 6382-5). Sens. O'Mahoney and Holland discussed restoration of Census Bureau appropriations (pp. 6387-90).

Agreed to the replacement of Sen. Mansfield by Sen. Fulbright as conferee on H.R. 6871, the State-Justice-Judiciary Appropriation bill. p. 6371

H.R. 7221, the third supplemental appropriation bill for 1957, was made the unfinished business. p. 6392

2. FORESTRY. Sen. Morse inserted the speech of the executive director of the Sierra Club to a Forest Service supervisor's meeting in which he urged more attention to the long run effects of forest culture, more research, and preservation of wilderness areas. pp. 6401-5
3. TAXATION. Sen. Wiley inserted a statement on behalf of S. 769, for a Federal Tax Commission, and inserted a report by the Committee for Economic Development favoring such a study. pp. 6371-3

Sen. Dworshak inserted an editorial questioning the division of tax-amortization certificates between the Pacific Northwest States and defending the writeoff granted the Idaho Power Co. pp. 6398-9

4. FLOOD CONTROL; WATER UTILIZATION. Sen. Johnson inserted the Farmers' Home Administration's report on rain and flood damage in Texas, and with several other Senators commented on the value of flood prevention programs. pp. 6392-8

Sen. Morse discussed the need for coordinated water utilization projects with other Senators and urged the construction of the Hells Canyon dam. He inserted letters from constituents favoring the dam and a speech he made to a Maryland Co-op meeting. pp. 6405-8

5. TRANSPORTATION. Received a Minn. Legislature resolution urging that the tax on transportation be repealed. pp. 6366-7

The Interstate and Foreign Commerce Committee reported with amendments S. 377, to establish the finality of contracts between the Government and common carriers (S. Rept. 334), and S. 943, to require contract motor carriers to file their actual rates or charges rather than their minimums (S. Rept. 335). p. 6367

6. RESEARCH. Received a Calif. Legislature resolution urging establishment in Calif. of a soil and water conservation laboratory. p. 6366

7. STATEHOOD. Received a Calif. Legislature resolution urging statehood for Hawaii and Alaska. p. 6366

8. LEGISLATIVE PROGRAM. Sen. Johnson announced his hope that two or three appropriation bills would be ready for action in the next week (pp. 6365-6). He stated that the third supplemental appropriation bill would be considered Mon., May 20, and that the Appropriations Committee hoped to report the Interior Department and General Government Matters appropriation bills next week (p. 6392). He announced the possibility of early consideration of various bills, including S. Con. Res. 20, authorizing the FTC to investigate the newsprint industry; S. 1164, to make the evaluation of recreational benefits an integral part of project planning for water resources; S. Res. 76, to study critical raw materials and resources of certain Eastern Hemisphere countries; H.R. 2146, to require approval of Congress for all small reclamation projects; S. 60, the Fryingpan-Arkansas project, and S. 555, the Hells Canyon Dam construction bill (pp. 6399-6400). He urged the Committees to take action on each of the President's recommendations, and stated the schedule until sine die adjournment might require more frequent sessions. He stated appropriations bills would have priority. Sen. Sparkman announced that the housing bill would be reported in a few days (pp. 6400-1).

9. ADJOURNED until Mon., May 20. p. 6408

HOUSE

10. FORESTRY. A subcommittee of the Interior and Insular Affairs Committee ordered reported to the full Committee H.R. 4635, to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under Sec. 10 of the act of May 14, 1898. p. D428

which will be available promptly, from time to time, the conclusions to be drawn from such data and observations, whereas otherwise the delay in making the reports available would be so great as to render them of little value.

Mr. President, a distinguished citizen of Massachusetts wrote to the editor of the New York Times a letter regarding funds for the Weather Bureau. Since the matter is of some importance I ask unanimous consent that the letter be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 1, 1957]
FUNDS FOR WEATHER BUREAU—HOPE EXPRESSED THAT SENATE WILL RESTORE CUTS IN BUDGET

TO THE EDITOR OF THE NEW YORK TIMES:

Do we really want our weather service cut back so that we can be spared paying 2 cents more per capita in taxes? The Weather Bureau asked for 24 cents, the House voted 22 cents, and the Senate Subcommittee on the Department of Commerce Budget, Senator SPESSARD L. HOLLAND, chairman, will begin hearings on whether or not to sustain the House's cuts.

In 1956, 175 million calls were recorded by telephone companies in the 11 cities where the Weather Bureau's latest hourly weather observation and forecast is automatically available. At an average of perhaps 7 cents a call, the cost must have been about \$12 million, and from this the Federal Government probably received \$1,500,000 in taxes.

Two years ago it became evident to the public that the appropriations for the Weather Bureau were far below what they should be for the forecasting service, particularly regarding severe storms. Accordingly, Congress added materially to the amounts the Bureau had been allowed to request by the Department of Commerce and the Bureau of the Budget. These additions were still considerably short of what the Bureau could use effectively.

PROTECTIVE MEASURES

The reporting network is still inadequate, especially for upper air reports from the great blank areas of the western Atlantic and eastern Pacific Oceans. Research needs more support. Increased service for the safety of aviation, for warning against flash floods, and for agriculture are also sorely needed. Such further increases would be protective measures, the returns from which could be expected to improve the national economy far more than the cost, even to the point that increased receipts from taxes would more than cover the costs.

The Weather Bureau's budget, totaling \$40,500,000 for fiscal year 1958, as presented to Congress, had already been cut back \$958,500 in general weather services, research, and administration from what Congress had voted a year ago for the current fiscal year. Of the \$2,952,000 voted for research, \$607,300 had to be used for general salaries and administration when the Civil Service Commission last July ordered a substantial increase in salaries. To meet the higher salaries this coming year, another \$351,200 was cut from the Bureau's regular program.

On the other hand, the budget calls for six special appropriations totaling \$5,127,000. One is for \$1,381,300 on account of the mandatory new requirement that each bureau must be charged for the retirement fund deposits for its own personnel. Another, almost equally mandatory, is for \$1,097,900 to operate the 430 major units of new equipment obtained with special appropriations totaling \$10 million for modernization dur-

ing the last 2 years. An additional \$1,200,000 is asked for a continuation of the modernization over the next 3 years; \$2,500,000 was appropriated for such a year ago, and \$7,500,000 the year before.

There are three new items: increased service to aviation, \$1,022,000; increased tempo in forecasting research, with the aid of a larger, faster computing machine, \$400,000; and related additional administrative expense, \$25,800.

CUTS MADE

The House cut \$300,000 from the mandatory retirement fund request, which is the same as adding another \$300,000 to the budgeted \$958,500 cut in general weather service, research and administration. The House knocked \$97,900 off the requirement for the operation of new storm warning and other facilities, which amounts to discarding about 40 major units of brand-new safety equipment, worth about \$1 million.

The request for new facilities was cut \$600,000, thereby postponing end-of-runway equipment for many airports where such equipment is much needed and postponing the replacement of decrepit and leaky buildings at 2 of the 4 Pacific stations in bad shape.

The request for \$400,000 for stepped-up research in day-to-day and longer range numerical forecasting on dynamic principles, a joint project of the Weather Bureau, Air Weather Service and Navy, was denied by the House. So also was \$1,022,000 for the increased aviation weather service now required by high speed, flying jet planes, new international air routes from the Middle and Far West over the polar regions to Europe, and greater safety in flight by giving pilots continuous information about the weather.

It has been a few weeks since the House voted these cuts of about \$2,500,000 on top of an already budgeted reduction of nearly \$1 million, and it has been possible in that time to assess what the effects would really be if the Senate does not restore them and get the House to agree.

CHARLES F. BROOKS,
Professor of Meteorology and Director Blue Hill Meteorological Observatory, Harvard University.
MILTON, MASS., April 27, 1957.

Mr. HOLLAND. Mr. President, I have now concluded, unless there are other questions to be asked.

Mr. President, if there are no further questions to be asked, I now ask unanimous consent that the bill be read for amendment; that the committee amendments be first considered; and that they be considered en bloc and be agreed to en bloc—unless there is objection. Let me state that if there is objection, I am perfectly willing to have the committee amendments taken up and acted on separately.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection?

Without objection, the committee amendments will be considered en bloc.

The question is on agreeing en bloc to the amendments of the committee.

The amendments were agreed to en bloc, as follows:

Under the heading "Title I—Department of Commerce—Civil Aeronautics Administration", on page 3, line 21, after the word "exceed", to strike out "forty" and insert "forty-nine"; in line 22, after the word "exceeding", to strike out "\$600,000" and insert "\$750,000"; at the beginning of line 24, to strike out "ninety-two" and insert "one hundred"; and, on page 4, line 2, after the word "snowshoes", to strike out "\$177,747,800" and insert "190,201,000."

On page 4, line 19, after the word "appropriation", to strike out "\$116,561,860" and insert "\$132,645,190."

On page 4, line 24, after the word "contracts", to strike out "\$30,000,000" and insert "\$25,000,000."

On page 6, line 1, after the word "exceed", to strike out "\$192,000" and insert "\$255,000."

Under the subhead "Business and Defense Services Administration", on page 7, line 11, to strike out "\$3,515,000" and insert "\$5,682,000."

Under the subhead "Office of Area Development", on page 7, line 14, after the word "Development", to strike out "\$395,000" and insert "\$200,000."

Under the subhead "Bureau of Foreign Commerce", on page 7, line 18, after the word "reports", to strike out "\$2,261,500" and insert "\$2,445,000."

Under the subhead "Maritime Activities", on page 8, line 14, after the word "expended", to insert a colon and "Provided, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative and warehouse expenses (not to exceed \$1,700,000) and for reserve fleet expenses (not to exceed \$500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

On page 9, line 1, after the word "Commission", to strike out "\$100,000,000" and insert "\$35,000,000, and in addition, \$65,000,000 to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department.'"

On page 12, line 4, after the numerals "1946," to insert a colon and "Provided, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of \$10,000,000 continued available and less the amount of \$65,000,000 transferred to the appropriation 'Operating-differential subsidies,' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the Surplus Fund and covered into the Treasury immediately upon the approval of this act."

Under the subhead "Bureau of Public Roads", on page 16, at the beginning of line 20, to strike out "\$25,000,000" and insert "\$23,000,000"; and in line 22, after the word "and," to strike out "\$8,750,000" and insert "\$6,750,000."

On page 18, line 25, after "(5 U. S. C. 55a)," to insert "in an amount not exceeding \$10,000"; and on page 19, line 2, after the word "of" to strike out "\$50" and insert "\$100."

Under the subhead "National Bureau of Standards", on page 19, at the beginning of line 11, to strike out "\$8,908,500" and insert "\$9,948,000."

Under the subhead "Weather Bureau", on page 20, line 12, after the word "law," to strike out "\$37,480,100" and insert "\$38,252,200."

Under the subhead "General Provisions—Department of Commerce", on page 21, after line 21, to insert:

"Sec. 104. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed in section 505 of the Classification Act of 1949, as amended, but without regard to the numerical limitations contained therein, to place one position in grade GS-18, 3 positions in grade GS-17, and 10 positions in grade GS-16, in the general schedule established by the Classification Act of 1949, as amended, and such positions shall not be in lieu of any positions in the Department previously allocated under section 505."

Under the heading "Title II—The Panama Canal—Canal Zone Government", on page 23, line 2, after the word "transfusions," to strike out "\$15,648,600" and insert "\$15,765,600."

On page 23, line 9, after the word "assets," to strike out "\$1,000,000" and insert "\$1,025,000."

Under the subhead "General Provision—The Panama Canal," on page 26, line 2, after the word "exceed", to strike out "\$50" and insert "\$100."

Under the heading "Title III—Independent Agencies," on page 26, after line 13, to insert:

"ADVISORY COMMITTEE ON WEATHER CONTROL"

"Salaries and expenses: For necessary expenses of the Advisory Committee on Weather Control, established by the act of August 13, 1953 (67 Stat. 559), as amended, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), \$250,000, to remain available until July 30, 1958."

Under the subhead "Civil Aeronautics Board", on page 27, line 9, after the word "diem", to strike out "\$5,255,400" and insert "\$5,725,000."

On page 27, line 15, after the numerals "1953", to strike out "\$38,754,000" and insert "\$37,228,000."

Under the subhead "Tariff Commission," on page 28, line 18, after "(5 U. S. C. 55a)", to strike out "\$1,640,000" and insert "\$1,700,000"; and in line 20, after the word "shall", to strike out "thereafter" and insert "hereafter."

Under the heading "Title IV—General Provisions", on page 29, line 12, after "Sec. 401" to strike out "(a)."

On page 29, after line 14, to strike out:

"(b) No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to the management or organization of the Department of Commerce or any bureau, administration, office, corporation, or other agency thereof, the Canal Zone Government, the Panama Canal Company, or any independent board, corporation, or commission, unless the utilization and payment of experts or consultants, or of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service."

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, I desire to express my deep appreciation to the very able and thorough senior Senator from Florida [Mr. HOLLAND] for the very fine job he has done on the Department of Commerce appropriation bill. As usual, he has been meticulous, careful, cautious, and constructive in the consideration of this measure. I think the fruitful results of his weeks of labor will be demonstrated by the unanimous vote the bill will receive; and I wish to express my deep appreciation to the chairman and to all the other members of the committee.

Mr. HOLLAND. Mr. President, I wish to express my appreciation to the distinguished majority leader.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H. R. 6700) was passed.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. ELLENDER, Mr. MAGNUSON, Mr. STENNIS, Mr. JOHNSON of Texas, Mr. PASTORE, Mr. HAYDEN, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. KNOWLAND, Mr. THYE, and Mr. POTTER conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, I express the hope that the distinguished chairman of the subcommittee and the other conferees on the part of the Senate and the conferees on the part of the House will be able to arrange a conference on the bill at the earliest possible date, so that the differences between the two Houses can promptly be resolved and the bill can be sent quickly to the White House.

The appropriation bills are coming to us a little later this year than usual. I am anxious to have action on them expedited. So I hope the distinguished chairman of the subcommittee will arrange with the conferees on the part of the House for a conference on the Department of Commerce appropriation bill as soon as possible.

Mr. HOLLAND. Mr. President, just as soon as I learn of the appointment of the conferees on the part of the House, I shall proceed without any delay at all to seek, insofar as I am able to do so, to bring the conference to an early conclusion.

Mr. JOHNSON of Texas. I greatly appreciate the excellent cooperation of the distinguished senior Senator from Florida.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 315, House bill 7221, making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to point out that during the present very busy week, the Senate has passed the Treasury-Post Office appropriation bill, which by now should be on its way to the White House; the State, Justice, and Judiciary appropriation bill, the conference on which will be held during the early part of next week; and the appropriation bill for the Department of Commerce and related agencies.

At the present time the Senate is ready to proceed with consideration of the third

supplemental appropriation bill. However, in connection with that bill there must be a little lag. Some of the minority members are not here, and they wish to be present when the bill is considered. Therefore, Mr. President, we expect to have the Senate convene on Monday at 11 a. m.

I express the hope that next week it will be possible for the Appropriations Committee to report the Department of the Interior appropriation bill and perhaps also the general Government matters appropriation bill, so that at least we shall be able to clear the good name of the Senate from criticisms by uninformed persons who know little of the procedures in this Chamber.

Mr. President, at this time I desire to discuss another matter.

The PRESIDING OFFICER. The Senator from Texas has the floor.

FLOODS AND TORNADOES IN TEXAS

Mr. JOHNSON of Texas. Mr. President, my State of Texas has been hard hit by a spring crop of floods and tornadoes.

Mr. President, I see in the Chamber at this time my delightful friend, the distinguished senior Senator from Maine [Mrs. SMITH]. Before she leaves the Chamber, I wish to put in a "plug" for Texas.

Texas is a large State in many respects, as all of us know. In this particular instance, Texas is large in an unusual respect; it is large enough to have a drought and floods and a series of tornadoes, all at the same time.

Mr. President, last week the west Texas town of Lampasas was devastated by a flash flood.

This week the town of Silverton, in the Texas Panhandle, found itself in the path of a tornado, which took a heavy toll in dead and injured and in property damage.

During the last 2 months there have been other disastrous floods, other death-dealing tornadoes.

Man has not yet devised a way to control tornadoes. But man has found a way largely to control floods and to conserve potential floodwaters for his own benefit. To the extent that this knowledge has been applied, Texas has profited greatly during this season of floods.

I am informed by the Corps of Engineers—in response to a request I made—that the full extent of recent flood damage in Texas cannot be fully determined until the waters recede and detailed surveys can be made. The engineers state that a tentative and very preliminary estimate of the damage is \$59 million. Texas sources tell me that the estimate is only partial and is quite conservative. In any case, it is known that the loss is indeed heavy.

But there is another figure that is more significant than the one showing the loss caused in Texas by the floods of this spring. That is the figure—or the series of figures—showing the damage that was prevented—prevented, Mr. President, by flood-control and water-conservation projects authorized by the Congress and

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 21, 1957
For actions of May 20, 1957
85th-1st, No. 84

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HIGHLIGHTS: Senate passed third supplemental appropriation bill; USDA items agreed to as reported. Sen. Williams criticized loans to poultry industry. House committee reported compulsory poultry inspection bill. Rep. Berry commended REA programs.

HOUSE

1. POULTRY INSPECTION. The Agriculture Committee reported without amendment H.R. 6814, to provide for the compulsory inspection by this Department of poultry and poultry products (H. Rept. 465). p. 6505
2. APPROPRIATIONS. Conferees were appointed on H.R. 6700, the Commerce and related agencies appropriation bill for 1958. Senate conferees were appointed May 17. p. 6479
3. BUDGETING. Rep. Keating announced that a subcommittee of the Judiciary Committee will begin hearings Mon., May 27, on H.J. Res. 47, to permit the President to veto individual items in appropriation bills. p. 6479
4. FORESTRY. Passed over, at the request of Rep. Cunningham, S. 469, to authorize the U.S. to defray the cost of assisting the Klamath Indians to prepare for termination of Federal supervision and to defer sales of tribal property. p. 6480
Received a Calif. Legislature memorial favoring leasing or giving control to the Parker Kam County Recreation District of the lands located within the boundaries of the district. p. 6506

5. MEATS. Passed over, at the request of Rep. Weaver, H.R. 7244, to amend the Packers and Stockyards Act so as to permit deductions for a self-help meat promotion program. p. 6483
6. FOREIGN AID. Rep. McVey urged a curtailment of the mutual-security program, and inserted a table of the amounts various countries have received under the program from 1945 to 1956. pp. 6495-6
7. PERSONNEL. Rep. Curtis urged pay increases for Federal employees and the recognition of unions as bargaining agents for employees. pp. 6502-3
8. ELECTRIFICATION. Received from GAO the 1956 audit report on TVA. p. 6504
9. RECLAMATION. The Public Works Committee was discharged from further consideration of H.R. 7063, to modify the authorization for construction of the eastern portion of the Missouri-Souris unit of the Missouri River Basin project so as to provide works for furnishing water to approximately 1,000,000 acres of certain land, and the bill was referred to the Interior and Insular Affairs Committee. p. 6478

SENATE

10. APPROPRIATIONS. Passed with amendments H.R. 7221, the third supplemental appropriation bill for 1957, by a vote of 72 to 5 (pp. 6430-49, 6457-63). Agreed to the committee amendments regarding items for this Department as reported in Digest 82 (p. 6431). Rejected, 27-50, an amendment by Sen. Williams to provide for State participation by payment of 25% of the sums spent under the Disaster Loan Revolving Fund (pp. 6443-9). Senate conferees were appointed. (p. 6463)
11. POULTRY; FARM LOANS. Sen. Williams criticized loans to the poultry industry at a time when the Department was seeking to curtail production. He inserted an itemized breakdown of \$35 million he stated was loaned to poultrymen by the Farmers' Home Administration, Federal Housing Administration, Small Business Administration, Banks for Cooperatives, Federal Land Banks, and Federal Intermediate Credit Banks. He urged that the "overlapping jurisdiction" of the lending agencies be investigated. pp. 6470-7
12. HOUSING. The Banking and Currency Committee reported with amendments H.R. 6659, the proposed Housing Act of 1957 (S. Rept. 368). pp. 6412-14
13. PROPERTY. Received from GSA a proposed bill amending the Federal Property and Administrative Services Act; to Government Operations Committee. p. 6410
Agreed to print as a Senate Document a GSA report, "Real Property Leased to the United States Throughout the World, as of July 1, 1956" (S. Doc. 41). pp. 6416-7
14. FLOOD INSURANCE. Sen. Symington urged appropriations to implement the Federal flood insurance program, and inserted an editorial to that end. p. 6420
15. FLOOD CONTROL. Several Senators discussed the importance of flood control public works projects. pp. 6449-53
16. BUDGET. Sen. Symington inserted an editorial "How to Reduce the Federal Budget," and another, "To Save \$5 Billion." pp. 6420-1

85TH CONGRESS
1ST SESSION

H. R. 7221

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1957

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1957, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations (this Act may be cited as the
6 “Third Supplemental Appropriation Act, 1957”) for the
7 fiscal year ending June 30, 1957, and for other purposes,
8 namely:

1 CHAPTER I
2 DEPARTMENT OF AGRICULTURE
3 AGRICULTURAL RESEARCH SERVICE
4 SALARIES AND EXPENSES

5 Research

6 The limitation under this head in the Department of
7 Agriculture and Farm Credit Administration Appropriation
8 Act, 1957, on the amount available for construction of build-
9 ings, is increased from “\$1,850,000” to “\$1,916,000”.

10 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

11 Penalty Mail

12 For penalty mail costs of agricultural experiment sta-
13 tions, under section 6 of the Hatch Act of 1887, as amended,
14 \$250,000, to be derived by transfer from the appropriation
15 to the Extension Service for “Payments to States, Hawaii,
16 Alaska, and Puerto Rico”, fiscal year 1957.

17 EXTENSION SERVICE

18 FEDERAL EXTENSION SERVICE

19 Penalty Mail

20 For an additional amount for “Penalty mail”, including
21 penalty mail for State extension directors, \$514,000, to be
22 derived by transfer from the appropriation to the Extension
23 Service for “Payments to States, Hawaii, Alaska, and Puerto
24 Rico”, fiscal year 1957.

1 (1) AGRICULTURAL CONSERVATION PROGRAM SERVICE

2 (2) EMERGENCY CONSERVATION MEASURES

3 For an additional amount to enable the Secretary to
4 make payments to farmers who carry out emergency meas-
5 ures to control wind erosion on farmlands or to rehabilitate
6 farmlands damaged by wind erosion, floods, hurricanes, or
7 other natural disasters when, as a result of the foregoing,
8 new conservation problems have been created which, (1)
9 if not treated, will impair or endanger the land, (2) ma-
10 terially affect the productive capacity of the land, (3)
11 represent damage which is unusual in character and, except
12 for wind erosion, is not the type which would recur fre-
13 quently in the same area, and (4) will be so costly to
14 rehabilitate that Federal assistance is or will be required
15 to return the land to productive agricultural use, and for
16 reimbursement to the appropriation to the President for
17 "Disaster relief", for allocations to the Secretary of Agri-
18 culture for such purposes, \$15,000,000: Provided, That
19 this appropriation may be expended without regard to the
20 adjustments required under section 8 (e) of the Soil Con-
21 servation and Domestic Allotment Act, as amended (16
22 U. S. C. 590h), and may be distributed among States and
23 individual farmers without regard to other provisions of law.

1 (3)EMERGENCY RANGE CONSERVATION

2 *For expenses necessary to carry out the provisions of*
 3 *the Act of April 25, 1957 (Public Law 85-25), to remain*
 4 *available until December 31, 1958, \$25,000,000, to be de-*
 5 *rived from funds available for purposes of the Soil Bank*
 6 *Act under section 120 of that Act (70 Stat. 197).*

7 (4)FARMERS' HOME ADMINISTRATION

8 (5)DISASTER LOAN REVOLVING FUND

9 *Not to exceed \$15,000,000 of the Disaster Loan Revolv-*
 10 *ing Fund established under the Act of April 6, 1949, as*
 11 *amended (12 U. S. C. 1148a-1 to 1148a-3), may be used*
 12 *for emergency feed and seed assistance under section 2 (d)*
 13 *of said Act in addition to, and under the same conditions as,*
 14 *the amount made available under this head in the Third*
 15 *Supplemental Appropriation Act, 1954 (68 Stat. 81, 88).*

16 (6)LOAN AUTHORIZATIONS

17 *For an additional amount for loans under title I and*
 18 *section 43 of title IV of the Bankhead-Jones Farm Tenant*
 19 *Act, as amended, \$26,000,000: Provided, That not to ex-*
 20 *ceed the foregoing amount shall be borrowed from the Sec-*
 21 *retary of the Treasury in accordance with the provisions set*
 22 *forth under this head in the Department of Agriculture Ap-*
 23 *propriation Act, 1952.*

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for administrative expenses of the Corporation, is increased from "\$31,000,000" to "\$33,000,000".

CHAPTER II

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$55,000, to be derived by transfer from the appropriation for "Expenses", National Bureau of Standards, fiscal year 1957; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for retirement pay of commissioned officers, is increased from "\$446,000" to "\$501,000".

1 (7) PANAMA CANAL COMPANY

2 PANAMA CANAL BRIDGE

3 *For expenses necessary for work preliminary to the*
 4 *construction of a high-level bridge across the Panama Canal*
 5 *at Balboa, Canal Zone, as authorized by the Act of July*
 6 *23, 1956 (70 Stat. 596), \$1,000,000, to remain available*
 7 *until expended.*

8 INDEPENDENT OFFICE

9 TARIFF COMMISSION

10 SALARIES AND EXPENSES

11 For an additional amount for "Salaries and expenses",
 12 \$25,000.

13 CHAPTER III

14 DEPARTMENT OF DEFENSE—MILITARY

15 FUNCTIONS

16 (8) DEPARTMENT OF THE ARMY

17 MILITARY PERSONNEL

18 *For an additional amount for "Military personnel",*
 19 *\$27,444,000, to be derived by transfer from the appropria-*
 20 *tion for "Procurement and production", Army.*

21 DEPARTMENT OF THE NAVY

22 MEDICAL CARE

23 For an additional amount for "Medical care", \$10,-
 24 000,000, to be derived by transfer from the appropriation
 25 for "Construction of ships".

SERVICE-WIDE SUPPLY AND FINANCE

For an additional amount for "Service-wide supply and finance", \$8,000,000, of which \$5,000,000 shall be derived by transfer from the appropriation for "Reserve Personnel, Navy" and \$3,000,000 shall be derived by transfer from the appropriation for "Military personnel, Marine Corps."

DEPARTMENT OF THE AIR FORCE

MILITARY PERSONNEL

For an additional amount for "Military personnel", \$30,335,000, to be derived by transfer from the appropriation for "Military construction", Air Force.

CHAPTER IV

(9) AMERICAN BATTLE MONUMENTS

COMMISSION

CONSTRUCTION OF MEMORIALS AND CEMETERIES

To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the Act of April 2, 1956 (70 Stat. 84).

COMMISSION ON GOVERNMENT SECURITY

SALARIES AND EXPENSES

The unobligated balance of the appropriation granted under this head in Chapter V of the Supplemental Appro-

1 priation Act, 1957, shall remain available until September
2 28, 1957.

3 CHAPTER V

4 INDEPENDENT OFFICES

5 CIVIL SERVICE COMMISSION

6 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES
7 AND LIGHTHOUSE SERVICE WIDOWS

8 For an additional amount for "Annuities, Panama Canal
9 construction employees and Lighthouse Service widows",
10 \$500,000.

11 (10) CIVIL SERVICE RETIREMENT ACT

12 *For the purpose of determining the beginning date of*
13 *the annuity under the Civil Service Retirement Act of any*
14 *survivor of a Member of Congress who dies subsequent to*
15 *April 1, 1956, and prior to the effective date of the Civil*
16 *Service Retirement Act Amendments of 1956, such amend-*
17 *ments shall be deemed to have taken effect on April 1, 1956,*
18 *but no such annuity shall commence by reason of the enact-*
19 *ment of this section prior to the date of such enactment.*

20 (11) ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE IN- 21 SURANCE FUND

22 (12) *The limitation under this head in the Independent*
23 *Offices Appropriation Act, 1957, on the amount made avail-*

1 able from the "Employees' life insurance fund", for reim-
 2 bursement to the Civil Service Commission for adminis-
 3 trative expenses incurred in the administration of the Fed-
 4 eral Employees' Group Life Insurance Act, is increased
 5 from "\$117,500" to "\$194,000".

6 (13) Not to exceed \$23,000 of the funds in the "Em-
 7 ployees' life insurance fund" shall be available for reimburse-
 8 ment to the Civil Service Commission during the fiscal year
 9 1958, for administrative expenses incurred by the Commission
 10 during that fiscal year in the administration of said Act,
 11 and such amount shall be in addition to any amounts other-
 12 wise made available from the fund for such expenses for
 13 the fiscal year 1958.

14 GENERAL SERVICES ADMINISTRATION

15 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

16 For an additional amount for "Operating expenses, Pub-
 17 lic Buildings Service", \$900,000.

18 (14) OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

19 The limitation under this head in the Independent Offices
 20 Appropriation Act, 1957, on the amount available for ex-
 21 penses of travel, is increased from "\$120,000" to
 22 "\$130,000".

1 (15)HOUSING AND HOME FINANCE AGENCY

2 OFFICE OF THE ADMINISTRATOR

3 FEDERAL FLOOD INDEMNITY ADMINISTRATION

4 PAYMENT FOR FLOOD INDEMNITY OPERATIONS

5 For payment of compensation for services rendered by
 6 private organizations and persons pursuant to section 13
 7 (a) of the Federal Flood Insurance Act of 1956 (70 Stat.
 8 1078), for services and facilities of the Federal Reserve banks
 9 and public agencies as authorized by section 13 (b) of said
 10 Act, \$14,000,000, to remain available until expended.

11 VETERANS ADMINISTRATION

12 INPATIENT CARE

13 (16)Notwithstanding For an additional amount for "In-
 14 patient care", \$2,000,000, of which \$1,450,000 shall be
 15 derived by transfer from the appropriation for "General
 16 operating expenses", fiscal year 1957, and \$550,000 shall
 17 be derived by transfer from the appropriation for "Out-
 18 patient care", fiscal year 1957: Provided, That, notwith-
 19 standing the last proviso under this head in the Independent
 20 Offices Appropriation Act, 1957, inpatient care and treat-
 21 ment may be furnished to an average of 140,100
 22 beneficiaries during the current fiscal year without any pro-
 23 portionate reduction in expenditures.

1 READJUSTMENT BENEFITS

2 For an additional amount for "Readjustment benefits",
3 \$65,000,000, to remain available until expended.

4 AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED
5 VETERANS

6 To enable the Administrator to provide, or assist in
7 providing, automobiles or other conveyances for disabled
8 veterans as authorized by the Act of October 20, 1951, as
9 amended (38 U. S. C. 252a-252e), to remain available
10 until expended, \$850,000, to be derived by transfer from the
11 appropriation for "Compensation and pensions".

12 CHAPTER VI

13 DEPARTMENT OF INTERIOR

14 (17) OFFICE OF THE SECRETARY

15 ACQUISITION OF STRATEGIC MINERALS

16 For an additional amount for "Acquisition of strategic
17 minerals", \$30,000,000.

18 BUREAU OF INDIAN AFFAIRS

19 RESOURCES MANAGEMENT

20 (18) For an additional amount for "Resources manage-
21 ment", for emergency operation and maintenance of the San
22 Carlos irrigation project on a nonreimbursable basis, \$133,-
23 000, to be derived by transfer from the appropriation for

1 “Education and welfare services”, Bureau of Indian Affairs,
2 fiscal year 1957.

3 *For an additional amount for “Resources Management”,*
4 *\$283,000, to be derived by transfer from the appropria-*
5 *tion “Education and welfare services”, Bureau of Indian*
6 *Affairs, fiscal year, 1957: Provided, That \$133,000 of the*
7 *amount herein provided shall be for emergency operation*
8 *and maintenance of the San Carlos irrigation project on a*
9 *nonreimbursable basis.*

10 FISH AND WILDLIFE SERVICE

11 GENERAL ADMINISTRATIVE EXPENSES

12 For an additional amount for “General administrative
13 expenses”, not to exceed \$75,000, to be derived by transfer
14 from the appropriations for the fiscal year 1957 for “Man-
15 agement of resources” and “Investigations of resources”,
16 Fish and Wildlife Service.

17 ADMINISTRATION, DEPARTMENT OF THE INTERIOR

18 SALARIES AND EXPENSES

19 For an additional amount for “Salaries and expenses”,
20 \$65,000, to be derived by transfer from the appropriations
21 for the fiscal year 1957 for “Office of Oil and Gas”, “Office
22 of the Solicitor”, and “Office of Minerals Mobilization”.

1 DEPARTMENT OF AGRICULTURE

2 FOREST SERVICE

3 SALARIES AND EXPENSES

4 For an additional amount for "Control of forest pests",
5 \$800,000, to be derived by transfer from any appropriation,
6 for the fiscal year 1957, available to the Department of
7 Agriculture for salaries and expenses (exclusive of such
8 appropriations which include funds for grants) : *Provided*,
9 That the limitation under this head in the Department of the
10 Interior and Related Agencies Appropriation Act, 1957, on
11 the amount available for carrying out the Forest Pest Con-
12 trol Act, is increased from "\$2,386,000" to "\$3,186,000".

13 INDEPENDENT OFFICES

14 (19) ALEXANDER HAMILTON BICENTENNIAL COMMISSION

15 For an additional amount for "Alexander Hamilton
16 Bicentennial Commission", \$15,000.

17 INDIAN CLAIMS COMMISSION

18 SALARIES AND EXPENSES

19 For an additional amount for "Salaries and expenses",
20 \$7,700.

21 SMITHSONIAN INSTITUTION

22 SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

23 For an additional amount for "Salaries and expenses,
24 National Gallery of Art", \$30,000.

1 CHAPTER VII
 2 DEPARTMENT OF LABOR
 3 OFFICE OF THE SECRETARY
 4 SALARIES AND EXPENSES

5 For an additional amount for "Salaries and expenses",
 6 \$24,000, to be derived by transfer in equal amounts from
 7 the appropriations for the fiscal year 1957 for "Salaries
 8 and expenses", Bureau of Labor Statistics, and "Salaries
 9 and expenses", Wage and Hour Division.

10 DEPARTMENT OF HEALTH, EDUCATION, AND
 11 WELFARE

12 FREEDMEN'S HOSPITAL
 13 SALARIES AND EXPENSES

14 For an additional amount for "Salaries and expenses",
 15 \$46,400.

16 PUBLIC HEALTH SERVICE

17 HOSPITALS AND MEDICAL CARE

18 For an additional amount for "Hospitals and medical
 19 care", \$1,184,000, of which \$580,000 shall be available
 20 only for ~~(20)the cost of hospitalization~~ *payments for medi-*
 21 *cal care* of dependents and retired personnel under the
 22 Dependents' Medical Act, Public Law 569, Eighty-fourth
 23 Congress.

24 ~~(21)~~FOREIGN QUARANTINE SERVICE

25 *Section 364, part G, title III, of the Public Health Serv-*

1 ice Act is amended by adding thereto the following subsec-
2 tions:

3 “(c) Employees of the United States Public Health
4 Service, Foreign Quarantine Division, performing overtime
5 duties including the operation of vessels, in connection with
6 the inspection or quarantine treatment of persons (passengers
7 and crews), conveyances, or goods arriving by land, water,
8 or air in the United States or any place subject to the jurisdic-
9 tion thereof, hereinafter referred to as ‘employees of the Pub-
10 lic Health Service’, when required to be on duty to perform
11 such duties between the hours of 6 o’clock postmeridian
12 and 6 o’clock antemeridian (or between the hours of 7
13 o’clock postmeridian and 7 o’clock antemeridian at stations
14 which have a declared workday of from 7 o’clock anteme-
15 ridian to 7 o’clock postmeridian), or on Sundays or holidays,
16 shall be paid, in lieu of compensation under any other pro-
17 vision of law, at the rate of one and one-half times the basic
18 hourly rate for each hour that the overtime extends beyond
19 6 o’clock (or 7 o’clock as the case may be) postmeridian,
20 and two times the basic hourly rate for each overtime hour
21 worked on Sundays or holidays. As used in this subsection,
22 the term ‘basic hourly rate’ shall mean the regular basic rate
23 of pay which is applicable to such employees for work per-
24 formed within their regularly scheduled tour of duty.

25 “(d) (1) The said extra compensation shall be paid to

1 the United States by the owner, agent, consignee, operator,
2 or master or other person in charge of any conveyance, for
3 whom, at his request, services as described in this subsection
4 (hereinafter referred to as overtime service) are performed.
5 If such employees have been ordered to report for duty and
6 have so reported, and the requested services are not per-
7 formed by reason of circumstances beyond the control of the
8 employees concerned, such extra compensation shall be paid
9 on the same basis as though the overtime services had actu-
10 ally been performed during the period between the time the
11 employees were ordered to report for duty and did so report,
12 and the time they were notified that their services would
13 not be required, and in any case as though their services had
14 continued for not less than one hour. The Surgeon General
15 with the approval of the Secretary of Health, Education,
16 and Welfare may prescribe regulations requiring the owner,
17 agent, consignee, operator, or master or other person for
18 whom the overtime services are performed to file a bond
19 in such amounts and containing such conditions and with
20 such sureties, or in lieu of a bond, to deposit money or obli-
21 gations of the United States in such amount, as will assure
22 the payment of charges under this subsection, which bond or
23 deposit may cover one or more transactions or all transactions
24 during a specified period: Provided, That no charges shall
25 be made for services performed in connection with the in-

1 *spection of (1) persons arriving by international highways,*
 2 *ferries, bridges, or tunnels, or the conveyances in which they*
 3 *arrive, or (2) persons arriving by aircraft or railroad trains,*
 4 *the operations of which are covered by published schedules,*
 5 *or the aircraft or trains in which they arrive, or (3) persons*
 6 *arriving by vessels operated between Canadian ports and*
 7 *ports on Puget Sound or operated on the Great Lakes and*
 8 *connecting waterways, the operations of which are covered*
 9 *by published schedules, or the vessels in which they arrive.*

10 *“(2) Moneys collected under this subsection shall be*
 11 *deposited in the Treasury of the United States to the credit*
 12 *of the appropriation charged with the expense of the serv-*
 13 *ices, and the appropriations so credited shall be available*
 14 *for the payment of such compensation to the said employees*
 15 *for services so rendered.”*

16 SAINT ELIZABETHS HOSPITAL

17 SALARIES AND EXPENSES

18 For an additional amount for “Salaries and expenses”,
 19 \$133,000.

20 CONSTRUCTION AND EQUIPMENT, MAXIMUM SECURITY

21 BUILDING

22 For an additional amount for “Construction and equip-
 23 ment, maximum security building”, \$673,000, to remain
 24 available until expended.

1 OFFICE OF THE SECRETARY

2 SALARIES AND EXPENSES, OFFICE OF FIELD

3 ADMINISTRATION

4 For an additional amount for "Salaries and expenses,
5 Office of Field Administration", \$68,000, to be transferred
6 from the Federal old-age and survivors insurance trust
7 fund.

8 NATIONAL MEDIATION BOARD

9 SALARIES AND EXPENSES

10 For additional amount for "Salaries and expenses",
11 \$15,500, to be derived by transfer from the appropriation
12 for "Salaries and expenses, National Railroad Adjustment
13 Board", fiscal year 1957.

14 NATIONAL RAILROAD ADJUSTMENT BOARD

15 SALARIES AND EXPENSES

16 The amount made available under this head for the
17 fiscal year 1957, for compensation and expenses of referees,
18 is decreased from "\$175,000" to "\$159,500".

19 RAILROAD RETIREMENT BOARD

20 SALARIES AND EXPENSES

21 For an additional amount for "Salaries and expenses,
22 Railroad Retirement Board (trust fund)", \$600,000, to be
23 derived from the railroad retirement account.

1 UNITED STATES SOLDIERS' HOME

2 For an additional amount for "United States Soldiers'
3 Home", to be paid from the Soldiers' Home permanent fund,
4 \$79,000.

5 CHAPTER VIII

6 PUBLIC WORKS

7 (22) DEPARTMENT OF THE INTERIOR

8 SOUTHEASTERN POWER ADMINISTRATION

9 OPERATION AND MAINTENANCE

10 For an additional amount for "Operation and mainte-
11 nance, Southeastern Power Administration", \$35,000, to be
12 derived by transfer from the appropriation for "Operation
13 and maintenance, Southwestern Power Administration",
14 fiscal year 1957.

15 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

16 DEPARTMENT OF THE ARMY

17 ENTOMBMENT OF UNKNOWN AMERICANS OF

18 WORLD WAR II AND KOREA

19 For expenses, not otherwise provided for, incident to
20 the selection and burial, with appropriate ceremonies, of the
21 remains of an unknown American who lost his life while
22 serving overseas in the Armed Forces of the United States
23 during World War II, as authorized by the Act of June
24 24, 1946 (60 Stat. 302), and the remains of an unknown

1 American who lost his life while serving in the Armed
 2 Forces of the United States during the Korean conflict,
 3 as authorized by the Act of August 3, 1956 (70 Stat. 1027),
 4 including construction of two crypts and necessary alterations
 5 to the existing Tomb of the Unknown Soldier in Arlington
 6 National Cemetery, \$159,000, to remain available until June
 7 30, 1958.

8 **(23) RIVERS AND HARBORS AND FLOOD CONTROL**

9 **CONSTRUCTION, GENERAL**

10 *That portion of title III of the Act of July 2, 1956*
 11 *(Public Law 641, Eighty-fourth Congress, 70 Stat. 474,*
 12 *480), that pertains to the purchase of lands and improve-*
 13 *ments in the Buford-Trenton Irrigation District in lieu of*
 14 *protecting said Buford-Trenton Irrigation District in con-*
 15 *nection with development, construction, and operation of the*
 16 *Garrison Dam and Reservoir project on the Missouri River,*
 17 *is amended to read as follows:*

18 *“That in lieu of protecting the East Bottom of Buford-*
 19 *Trenton Irrigation District, the sum of \$1,621,791 of the*
 20 *funds herein or hereafter appropriated for the Garrison Dam*
 21 *and Reservoir project on the Missouri River shall be avail-*
 22 *able for the purchase of lands and improvements in and con-*
 23 *tiguous to the Buford-Trenton Irrigation District, exclusive*
 24 *of tracts numbered H. H. 3170 and H. H. 3168, and not to*
 25 *exceed \$2,000,000 shall be available to the Corps of Engi-*

1 neers for protection of the intake structure of the pumping
2 plant in Zero Bottom and for the construction of bank protec-
3 tion to prevent erosion in the Missouri River adjacent to the
4 Buford-Trenton irrigation project. The substitution of land
5 acquisition for protection shall be made and the Secretary
6 of the Army shall acquire such land and improvements if
7 all of the landowners, except Lester G. Larson, the heirs of
8 Louis Morin, Junior, and the heirs of A. Desjarlais, on or
9 before September 15, 1957, have offered to sell their property
10 on the terms agreeable to said landowners, and within the
11 amount provided for such land acquisition: Provided, That
12 the Chief of Engineers, United States Army, is authorized
13 to acquire by condemnation proceedings, in the appropriate
14 United States district court, tract 208 C of the Buford-Tren-
15 ton project, Williams County, North Dakota, according to the
16 recorded plat thereof which tract is owned by Lester G. Lar-
17 son, the public domain allotment of A. Desjarlais, now de-
18 ceased, described as Government lots 5 and 8 in section 19
19 and Government lot 1 in section 30, township 153 north of
20 range 102 west of the fifth principal meridian, North Dakota,
21 and the public domain allotment of Louis Morin, Junior, now
22 deceased, described as the west half southwest quarter, section
23 16, and the north half southeast quarter, section 17, township
24 153 north, range 102 west, fifth principal meridian, North
25 Dakota, in connection with the construction and operation of

1 *the Garrison Dam and Reservoir: Provided further, That in*
 2 *the event land acquisition is undertaken in lieu of protection*
 3 *of the East Bottom, that in recognition of the increased per*
 4 *acre annual operation and maintenance cost of the remain-*
 5 *ing lands in the Buford-Trenton Irrigation District, the con-*
 6 *struction charge obligation assignable to the remaining lands*
 7 *of said district pursuant to the Act of October 14, 1940 (54*
 8 *Stat. 119), as amended, and the proposed contract between*
 9 *the United States and the Buford-Trenton Irrigation District,*
 10 *approved as to form February 23, 1955, shall be nonreim-*
 11 *bursable, and the Secretary of the Interior is authorized and*
 12 *directed to enter into a contract with the Buford-Trenton*
 13 *Irrigation District to transfer operation and maintenance*
 14 *responsibility for project works constructed by the Bureau of*
 15 *Reclamation for the benefit of the Buford-Trenton Irrigation*
 16 *District to such district."*

17 CHAPTER IX

18 DEPARTMENT OF STATE

19 ADMINISTRATION OF FOREIGN AFFAIRS

20 SALARIES AND EXPENSES

21 For an additional amount for "Salaries and expenses",
 22 ~~(24)\$500,400~~ \$1,000,000.

23 EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

24 For an additional amount for "Emergencies in the diplo-
 25 matic and consular service", \$725,000.

1 INTERNATIONAL ORGANIZATIONS AND CONFERENCES

2 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

3 For an additional amount for "Contributions to interna-
 4 tional organizations", \$4,169,409, of which \$3,333,000 shall
 5 be available for payment to the United Nations as contribu-
 6 tions for the United Nations Emergency Force.

7 INTERNATIONAL CONTINGENCIES

8 For an additional amount for "International contin-
 9 gencies", \$225,000.

10 (25) DEPARTMENT OF JUSTICE

11 LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

12 SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

13 AND MARSHALS

14 For an additional amount for "Salaries and expenses,
 15 United States attorneys and marshals", not to exceed \$300,-
 16 000, to be derived by transfer from any appropriation
 17 available to the Department of Justice for the fiscal year
 18 1957.

19 THE JUDICIARY

20 SUPREME COURT OF THE UNITED STATES

21 CARE OF THE BUILDING AND GROUNDS

22 For an additional amount for "Care of the building and
 23 grounds", \$7,500.

24 The appropriation "Care of the building and grounds",
 25 for the fiscal year 1957, shall be available for payment of

1 retroactive wage-board pay increases effective December 2,
2 1956, to those employees (commonly known as wage-board
3 employees) whose compensation is fixed and adjusted from
4 time to time in accordance with prevailing rates (5 U. S. C.
5 1082 (7)).

6 COURT OF CLAIMS

7 SALARIES AND EXPENSES

8 For an additional amount for "Salaries and expenses",
9 \$34,400.

10 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

11 JUDICIAL SERVICES

12 SALARIES OF JUDGES

13 For an additional amount for "Salaries of judges",
14 \$300,000, to be derived by transfer from the appropriation
15 for "Salaries of supporting personnel", fiscal year 1957.

16 FEES OF JURORS AND COMMISSIONERS

17 For an additional amount for "Fees of jurors and
18 commissioners", \$160,000.

19 SALARIES OF REFEREES

20 For an additional amount for "Salaries of referees",
21 \$253,000, to be derived from the referees' salary fund
22 established in pursuance of the Act of June 28, 1946, as
23 amended (11 U. S. C. 68).

1 EXPENSES OF REFEREES

2 For an additional amount for "Expenses of referees",
 3 \$57,000, to be derived from the referees' expense fund
 4 established in pursuance of the Act of June 28, 1946, as
 5 amended (11 U. S. C. 68 (c) (4)).

6 FUNDS APPROPRIATED TO THE PRESIDENT

7 PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

8 For an additional amount for the "President's special
 9 international program", for United States participation in
 10 the Universal and International Exhibition of Brussels, 1958,
 11 ~~(26)\$1,300,000~~ \$1,500,000, to remain available until
 12 expended.

13 CHAPTER X

14 DISTRICT OF COLUMBIA

15 (Out of District of Columbia funds)

16 OPERATING EXPENSES

17 DEPARTMENT OF GENERAL ADMINISTRATION

18 For an additional amount for "Department of General
 19 Administration", \$180,000.

20 PERSONAL SERVICES, WAGE-SCALE EMPLOYEES

21 For pay increases for wage-scale employees, to be trans-
 22 ferred by the Commissioners of the District of Columbia to
 23 the appropriations and funds of said District for the fiscal year
 24 1957 from which said employees are properly payable,

1 \$415,000, of which \$54,700 shall be payable from the high-
2 way fund, \$36,500 from the water fund, and \$20,300 from
3 the sanitary sewage works fund; said increases in compensa-
4 tion to be effective on the first day of the first pay period
5 beginning after February 1, 1957: *Provided*, That no retro-
6 active compensation or salary shall be payable in the case
7 of any individual not in the service of the municipal govern-
8 ment of the District of Columbia on the date of approval of
9 this Act, except that such retroactive compensation or salary
10 shall be paid in the case of a deceased officer or employee,
11 or of a retired officer or employee, for services rendered after
12 the effective date of the increase: *Provided further*, That for
13 the purpose of determining the amount of insurance for which
14 an individual is eligible under the Federal Employees' Group
15 Life Insurance Act of 1954, all changes in rates of com-
16 pensation or salary which result as provided herein shall be
17 held and considered to be effective as of the first day of the
18 first pay period which begins on or after the date of enact-
19 ment of this Act.

20 CAPITAL OUTLAY

21 PUBLIC BUILDING CONSTRUCTION

22 For an additional amount for "Capital outlay, public
23 building construction", to cover the increased estimated cost
24 of the Anacostia Senior High School addition, to remain
25 available until expended, \$390,000, of which \$15,000 shall

1 be available for construction services by the Director of the
2 Department of Buildings and Grounds.

3 MISCELLANEOUS

4 SETTLEMENT OF CLAIMS AND SUITS

5 For the payment of claims in excess of \$250, approved
6 by the Commissioners in accordance with the provisions of
7 the Act of February 11, 1929, as amended (45 Stat. 1160;
8 46 Stat. 500; 65 Stat. 131), \$22,798.

9 JUDGMENTS

10 For the payment of final judgments rendered against the
11 District of Columbia, as set forth in House Document Num-
12 bered 115 (Eighty-fifth Congress), \$347, together with such
13 further sums as may be necessary to pay the interest at not
14 exceeding 4 per centum per annum on such judgments, as
15 provided by law, from the date the same became due until
16 the date of payment.

17 AUDITED CLAIMS

18 For an additional amount for the payment of claims, cer-
19 tified to be due by the accounting officers of the District of
20 Columbia, under appropriations the balances of which have
21 been exhausted or credited to the general fund of the District
22 of Columbia, as provided by law (D. C. Code, title 47, sec.
23 130a), being for the service of the fiscal year 1956 and prior
24 fiscal years, as set forth in House Document Numbered 115
25 (Eighty-fifth Congress), \$8,062, together with such further

1 sums as may be necessary to pay the interest on audited
 2 claims for refunds at not exceeding 4 per centum per annum
 3 as provided by law (Act of July 10, 1952, 66 Stat. 546,
 4 sec. 14d).

5 DIVISION OF EXPENSES

6 The sums appropriated in this Act for the District of
 7 Columbia shall, unless otherwise specifically provided for, be
 8 paid out of the general fund of the District of Columbia, as
 9 defined in the District of Columbia Appropriations Acts for
 10 the fiscal years involved.

11 CHAPTER XI

12 LEGISLATIVE BRANCH

13 (27) SENATE

14 (28) *For payment to Jean K. McCarthy, widow of Joseph R.*
 15 *McCarthy, late a Senator from the State of Wisconsin,*
 16 *\$22,500.*

17 (29) CONTINGENT EXPENSES OF THE SENATE

18 (30) *Senate Restaurants: For an additional amount for Sen-*
 19 *ate kitchens and restaurants, \$30,000.*

20 (31) *There is hereby established within the Contingent Fund*
 21 *of the Senate a revolving fund which shall consist of (1)*
 22 *the unexpended balance of the appropriation "Contingent*
 23 *Expenses, Senate, Stationery, fiscal year 1957", (2) any*

1 amounts hereafter appropriated for stationery allowances
2 of the President of the Senate and of Senators, and for
3 stationery for use of committees and officers of the Senate,
4 and (3) any undeposited amounts heretofore received, and
5 any amounts hereafter received as proceeds of sales
6 by the stationery room of the Senate. Any moneys in the
7 fund shall be available until expended for use in the same
8 manner and for the same purposes as funds heretofore
9 appropriated to the Contingent Fund of the Senate for sta-
10 tionery, except that (1) the balance of any amount appro-
11 priated for stationery for use of committees and officers
12 of the Senate which remains unexpended at the end of any
13 fiscal year and (2) allowances which are not available
14 for obligation due to vacancies or waiver of entitlement
15 thereto, shall be withdrawn from the revolving fund.

16 HOUSE OF REPRESENTATIVES

17 SALARIES, OFFICERS AND EMPLOYEES

18 The sum of not to exceed \$45 may be transferred be-
19 tween the appropriations "Official Reporters of Debates" and
20 "Contingent expenses of the House, miscellaneous items".

21 CONTINGENT EXPENSES OF THE HOUSE

22 Folding Documents

23 For an additional amount for "Folding documents",
24 \$9,000.

1 EDUCATION OF SENATE, HOUSE, AND SUPREME COURT

2 PAGES

3 For an additional amount for "Education of Senate,
4 House, and Supreme Court pages", \$2,240.

5 GOVERNMENT PRINTING OFFICE

6 PRINTING AND BINDING

7 For an additional amount for "Printing and binding",
8 fiscal year 1956, \$1,300,000.

9 ARCHITECT OF THE CAPITOL

10 OFFICE OF THE ARCHITECT OF THE CAPITOL

11 SALARIES

12 For an additional amount for "Salaries", \$7,500.

13 TRAVEL LIMITATION

14 The limitation on expenses for travel on official business
15 under the Architect of the Capitol contained in the Legisla-
16 tive Branch Appropriation Act, 1957, is hereby increased by
17 \$4,500.

18 PAY INCREASES, WAGE-BOARD EMPLOYEES

19 Appropriations for the fiscal year 1957 available for
20 expenditure by the Architect of the Capitol shall be available
21 for payment of retroactive wage-board pay increases ef-
22 fective December 2, 1956, to those employees (commonly
23 known as wage-board employees) whose compensation is
24 fixed and adjusted from time to time in accordance with
25 prevailing rates (5 U. S. C. 1082 (7)).

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For an additional amount for "Capitol Buildings",
(32) ~~\$13,500~~ \$21,500.

(33) *Not to exceed \$25,000 of the amount of \$60,000 under the heading "Capitol Buildings" continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of two additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the two elevators in the Senate wing located adjacent to the two additional elevators, and is continued available until June 30, 1958.*

(34) SENATE OFFICE BUILDING

For an additional amount for "Senate Office Building", \$17,000.

UNIFORM ALLOWANCES

The appropriations for "Capitol Buildings", "Senate Office Building", and "House Office Buildings", for the fiscal year 1957, shall be available for uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131).

BOTANIC GARDEN

SALARIES AND EXPENSES

The appropriation for "Salaries and expenses", for the fiscal year 1957, shall be available for payment of retro-active wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

(35) GENERAL PROVISION

Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement.

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law,

1 audited claims certified to be due by the General Accounting
 2 Office, and judgments rendered against the United States by
 3 United States district courts and the United States Court of
 4 Claims, as set forth in House Document Numbered 156,
 5 Eighty-fifth Congress, (36) *and Senate Document Numbered*
 6 *38, Eighty-fifth Congress, (37)* ~~\$2,728,739~~ \$4,437,896, to-
 7 gether with such amounts as may be necessary to pay interest
 8 (as and when specified in such judgments or in certain of the
 9 settlements of the General Accounting Office or provided by
 10 law) and such additional sums due to increases in rates of ex-
 11 change as may be necessary to pay claims in foreign currency:
 12 *Provided, That no judgment herein appropriated for shall*
 13 *be paid until it shall have become final and conclusive*
 14 *against the United States by failure of the parties to appeal*
 15 *or otherwise: Provided further, That, unless otherwise*
 16 *specifically required by law or by the judgment, payment of*
 17 *interest wherever appropriated for herein shall not continue*
 18 *for more than thirty days after the date of approval of this*
 19 *Act.*

Passed the House of Representatives May 7, 1957.

Attest:

RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments May 20, 1957.

Attest:

FELTON M. JOHNSTON,
Secretary.

85TH CONGRESS
1ST SESSION

H. R. 7221

AN ACT

Making supplemental appropriations for the
fiscal year ending June 30, 1957, and for
other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1957

Ordered to be printed with the amendments of the
Senate numbered

"My delegation has listened with objective detachment to the arguments put forward by the Soviet Government and its allies in defense of the Soviet action in Hungary. We have hoped," he said, "that the truly modest steps proposed by this General Assembly, would have been unanimously adopted. We abstained and waited during the week of December 2, under the expectation that surely the Secretary General of the United Nations would be agreeably received in any member country, at any time. We abstained and waited, while the Secretary General told us that there was a chance that he would be received in Hungary at a stipulated date within the next few days." Then, in telling the Assembly that he was now prepared to vote condemnation of the U. S. S. R., the Burmese delegate said, "We do this to keep our self-respect. After all responsible waiting for action has passed, we can do no less." "There," he said, speaking of Hungary, "but for the Grace of God go we."

At the conclusion of this debate, Burma joined 14 other Afro-Asian nations in condemning Soviet violation of the Charter. In my opinion, this exposure and condemnation of Communist imperialism has served to strengthen the bonds of the free world. It may well turn out to be one of the greatest blows suffered by the Soviet Union and the satellite system in the past decade. In any consideration of a "double standard" it must be weighed on the positive side of General Assembly accomplishment. For any measure that reveals the methods of despotism and suppression of freedom serves the cause both of the oppressed and of the free who wish to remain free.

PROBLEMS FOR THE FUTURE

In discussing the changing composition and role of the General Assembly I have attempted to place the problems encountered in the light of our experience to date. We will continue to have these problems and new ones will evolve as the resources within the General Assembly are developed.

In summation, I would like to suggest some guidelines for the future.

We should not assume that there will be solid bloc voting or mechanical majorities in the General Assembly except for the Soviet Union and its satellites.

We must remember that states generally act in what they conceive to be their own best interests. There are varying gradations of interests on various problems. There is much in international intercourse that tends to unify—and as much which causes disunity.

We should keep in mind that when a two-thirds vote is required it is often necessary to negotiate among the regional groups or blocs making up the Assembly. If, however, we continue to demonstrate constructive leadership and do our utmost to identify our interests with the interests of world peace and of progress, then I believe the General Assembly is not a body to be feared, now or in the future.

In discussing earlier the question of weighted voting, I did not mean to close or dispose of the issue. For it may well be true that the General Assembly does have a voting system which tends to give a distorted reflection of the power and influence in the world of the various members. However, as I indicated earlier, there is evidence of a responsible restraint exercised by members of the Assembly. This is due, in large part, to an awareness that a General Assembly resolution when passed is still only a recommendation and that its effectiveness depends upon the degree to which it is followed—particularly by the stronger and more influential powers.

The mere fact that a bloc of powers can muster a two-thirds vote on an important issue does not necessarily mean that they will do so. I cite as a case in point the re-

action at the General Assembly to the question of the invoking of sanctions against Israel for failure to withdraw her forces. One of the Middle Eastern states had actually introduced such a sanctions resolution. It was very possible at the time that such a resolution could have passed by a two-thirds majority. But this potential majority exercised a commendable restraint and caution; they waited to learn in particular, what the position of certain powers would be whose support might be decisive. As it turned out, the resolution was never brought to a vote and Israeli forces were eventually withdrawn.

Such responsible action is an example of the General Assembly being used as an instrument through which our interdependent world realizes and accepts its interdependence.

The most influential states must recognize that power and responsibility go hand in hand and that their positions of leadership cannot be taken for granted.

The less influential states should take care not to impair or destroy by their actions the usefulness of the organization that protects them and gives them an equal voice in the councils of nations.

The United Nations should be recognized for what it is, an aid to progress toward a more peaceful world. It is complementary to traditional diplomacy not a substitute for it or for responsible international conduct. It is not a political Univac where you feed the problems in one side and take the answers out the other.

In this connection we have often recognized that there are certain international problems that can be more effectively handled outside the context of the United Nations. We have also recognized that we can never use the United Nations as a substitute for bold, imaginative, and realistic foreign policies and programs of our own—that we must continue to pursue many of our national interests and objectives through various regional arrangements and bilateral relationships.

I think there is no doubt that the United Nations must develop more effective pressures to get members to abide by its decisions and recommendations where threats to the peace are involved. In this connection, I believe the creation and use of the United Nations emergency force is an important step in the evolution of voluntary peace-enforcing devices. The experience gained through this current experiment may prove invaluable in the future.

I look to the future of the United Nations, and of the role of the General Assembly in it, with optimism. It has recently faced crucial issues and has emerged a stronger and in some ways a more mature organization. We and the other member states will be called upon to assess its limitations and exploit its resources if it is to discharge well the purposes for which it was founded. The United States will continue to contribute its full measure of support to this end.

THE UNITED STATES INFORMATION AGENCY

Mr. JOHNSON of Texas. Mr. President, in the various debates on the budget, we should not lose sight of the fact that economy is not the only goal. An equally important objective is efficiency in our Government.

Personally, I do not interpret the vote that was cast in this Chamber last week as a vote against an information program. I believe that a more important factor was the question of the kind of information program desired.

One of the principal issues is whether the United States Information Agency should become a part of the State Department or should remain independent. It was the belief of the Appropriations Committee that the first course should be followed.

The United States Information Agency's budget estimate for 1954 is very difficult to determine, because it was a part of the State Department budget; but the Agency was appropriated \$83 million.

In 1955, the Bureau of the Budget asked for only \$89 million for the Agency, and the Congress reduced the appropriation to \$74 million.

In 1946, the Bureau of the Budget asked for only \$91 million, and the Congress reduced it to \$87 million.

In 1957, the request was increased from \$90 million to \$135 million. The House voted to appropriate \$110 million, the Senate voted to increase the amount to \$115 million. The conferees decided on \$113 million.

The Press Division personnel in 1956 numbered 684, with an \$87 million appropriation. In 1957, that 684 figure was jumped approximately 200, to 877, with an appropriation of \$113 million. In 1958, had the request made been granted, the Press Division personnel would have been increased to 930.

Mr. President, the distinguished correspondent, James Reston, addresses himself to the question of the proper home for USIA in this morning's New York Times. He discusses the pros and cons of this basic issue.

I ask unanimous consent that his article be inserted in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USIA: QUO VADIS?—AN ANALYSIS OF THE CAPITOL HILL CONFLICT OVER THE INFORMATION AGENCY'S STATUS

(By James Reston)

WASHINGTON, May 19.—The troubles of the United States Information Agency are not over. The administration's propaganda bureau has been cut down in the budget fight more than any other agency of the executive, but it now is facing the prospect of losing its independent status by being moved into the State Department.

Senator MIKE MANSFIELD, of Montana, the Democratic whip in the Senate, is leading the fight to move it to State, where it operated from 1945 until 1953.

John Foster Dulles, Secretary of State, moved it out when the Eisenhower administration came to power on the ground that he wanted State to concentrate on policy matters and get out of foreign-policy operations. He still is adamantly opposed to its return. So is President Eisenhower.

Consequently, another power struggle is impending between the top administration leaders and the Democratic leadership of the Senate.

The issue will arise, and probably will be settled, in this session of Congress during the debate on a bill introduced by the Administration to create a permanent United States information service that would guarantee tenure of status to USIA employees. They do not have such job security at present.

DULLES STRESSES POLICY ROLE

Senator MANSFIELD agrees that some propaganda activities must continue for the fore-

seeable future. He also is in favor of giving job security to the propaganda officials, but only after the present personnel of the USIA is carefully relieved of its less competent officials and moved into the permanent Foreign Service in the State Department.

Secretary Dulles' arguments against the move are as follows:

State should concentrate on devising foreign policy and not be forced to add propaganda operations to its already formidable burdens.

Transfer of the Agency to State would harm both the policy and propaganda activities of the Government. It would divert policy officials from their primary job of policymaking and make the Secretary of State directly responsible for everything put out by the Voice of America and the other propaganda instruments of the Government. This inevitably would limit the propagandists in what they could say.

The State Department would become an unwieldy instrument with a vast and dissatisfied staff if vast numbers of propagandists, many of them foreign nationals, were added to its rolls. This also might add to the serious task of maintaining the security of its activities.

It also is argued that Arthur Larson, present head of the USIA, would be greatly weakened by being placed in a subordinate position in the State Department. He now sits on the administration's central foreign policymaking body, the National Security Council, and on the Operations Coordinating Board, which is charged by the President with seeing that all agencies carry out the President's decisions in the foreign policy field.

Nevertheless, Senator MANSFIELD, with the support of the Senate majority leader, LYNDON B. JOHNSON of Texas, believes that the amalgamation of the two agencies would cut costs, reduce and improve personnel in the foreign policy field at home and abroad, and greatly improve the coordination between the Government's policy and its propaganda.

SEES CONFLICT AVOIDED

One of his main arguments is that the Nation's propaganda is bad precisely because the policymakers in the State Department do not consider the propaganda aspects of policy as much as they should. He thinks they would be forced to do so if the USIA were back in State, where it could operate with a better knowledge of what the policy of the Government was.

Senator MANSFIELD also makes these points:

As an old and influential department of the Executive, State enjoys a power in the inter-departmental squabbles of the Government that the USIA never could achieve. Therefore, it would be able to influence the statements of other departments and relieve USIA of the constant embarrassment of having to carry contradictory statements by officials in various branches of the Government.

Transfer of the USIA would cut down the cost of maintaining liaison officers between State and USIA and would reduce the number of embassy press officers and information chiefs overseas.

In State the propaganda agency would be less conspicuous and therefore less subject to constant political harassment.

As part of the State Department the propaganda officials would be less subject to what some of them regard as incompetent direction by area chiefs and capricious administration, and more acceptable to many ambassadors in the field.

Under the proposed legislation for USIA there would be one more set of permanent officials operating not under the Foreign Service of the United States but under their own permanent service administered by different officials.

MANSFIELD FEARS INCOMPETENCE

All this, Senator MANSFIELD argues, makes for conflicting regulations and, he believes, an inferior set of propaganda officials who do not have the background or meet the standards of the State Department Foreign Service officers.

It is not so certain in this round of the battle that the Democrats will prevail. The support on Capitol Hill for amalgamation is not so powerful as the support for economy.

Senator MANSFIELD, however, is determined to block the creation of a permanent service for the present personnel of the USIA, even if he does not win his fight to transfer it to State.

He believes it has been a loose and wasteful agency, handicapped by being cut away from the main policymakers, and he does not want to see the situation made worse by giving permanence to what he regards as incompetence.

CALL OF THE ROLL

The PRESIDING OFFICER. Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, before morning business is concluded, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Green	Morton
Barrett	Hayden	Mundt
Beall	Hickenlooper	Murray
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Thye
Dworthak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNING], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPP] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from

Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The PRESIDING OFFICER (Mr. CHURCH in the chair). A quorum is present.

Is there further morning business? If not, morning business is closed.

MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, and it was signed by the Vice President.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1957

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 7221, the third supplemental appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. HAYDEN. The amount of the bill as passed by the House was \$79,840,788.

The amount of increase by the Senate committee is \$62,501,257. But of the \$62 million, \$45 million represents items the Senate has heretofore adopted and which are still in conference on another bill.

If Senators will look at page 3 of the report, they will see the first item is Emergency Conservation Measure. This committee amendment, which was in the urgent deficiency bill, H. R. 4249, heretofore passed, amounts to \$15 million. The conferees agreed to this amount in lieu of the budget estimate of \$25 million.

The next item is the Disaster Loan Revolving Fund. The committee recommends \$15 million, which is the amount agreed to in conference on the same bill, H. R. 4249 in lieu of the budget estimate which requested an increase of \$25 million.

Under the same head there is an item for loan authorizations. The committee recommends inclusion of the provision to provide \$26 million additional loan authorization for farm ownership loans, under title I of the Bankhead-Jones Act, as amended. This is the amount of the budget estimate, and was agreed to by the conferees on H. R. 4249.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. As I understand, of the \$62 million by which the

committee increased the bill, \$56 million is taken from a bill previously passed.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. So the bill does not actually increase the appropriation to that extent. Where does the \$6 million increase take place?

Mr. HAYDEN. There are some variations between what we allowed and did not allow. The principal item the committee added was \$14 million for flood insurance. That accounts for a part of the increase.

Mr. JOHNSON of Texas. The committee is increasing the bill by \$62 million; \$56 million of that amount was taken by the committee from a previous bill which has already been passed. So that leaves a net difference of \$6 million. Is that correct?

Mr. HAYDEN. That is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LAUSCHE. The bill contains an item of \$25 million, in chapter VI, which contemplates the purchase of tungsten.

Mr. HAYDEN. The figure is \$30 million.

Mr. LAUSCHE. Very well. That item was approved by the Senate in a previous bill.

Mr. HAYDEN. Yes; in a bill which was passed by the Senate.

Mr. LAUSCHE. But which is in conference, with the House disagreeing to the Senate amendment.

Mr. HAYDEN. We had the same difficulty about that item that we had with respect to the three other items I have just mentioned. The conference report never was signed, and, of course, was not submitted to the House. By following the procedure contemplated by the pending bill, all four items will go back to the House for consideration.

Mr. LAUSCHE. Then, I am correct in my understanding, am I not, that this will be a redeclaration, supposedly, of the Senate's purpose to spend \$30 million, or at least a part of it, to buy tungsten?

Mr. HAYDEN. That is correct.

If there are no further questions, I might state that the total estimates considered by the Senate were \$181,699,320. This bill is under the budget estimates by \$39,357,275.

Mr. President, I ask unanimous consent that the committee amendments, with the exception of the amendment on page 10, following line 20, providing for the acquisition of strategic minerals, be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that points of order shall not be waived.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. WILLIAMS. Mr. President, reserving the right to object, and I do not think I shall object, it is my understanding that the granting of this unanimous consent will not preclude the right of any Member to offer an amendment to any part of the bill or to raise points of order. Is that correct?

Mr. HAYDEN. That is correct.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Under the heading "Chapter I—Department of Agriculture," at the top of page 3, to insert:

"Agricultural Conservation Program Service

"Emergency Conservation Measures

"For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for 'Disaster relief,' for allocations to the Secretary of Agriculture for such purposes, \$15 million: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law."

At the top of page 4, to insert:

"Emergency Range Conservation

"For expenses necessary to carry out the provisions of the act of April 25, 1957 (Public Law 85-25), to remain available until December 31, 1958, \$25,000,000, to be derived from funds available for purposes of the Soil Bank Act under section 120 of that act (70 Stat. 197)."

On page 4, after line 6, to insert:

"Farmers' Home Administration

"Disaster Loan Revolving Fund

"Not to exceed \$15,000,000 of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriations Act, 1954 (68 Stat. 81, 88)."

On page 4, after line 15, to insert:

"Loan Authorizations

"For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$26,000,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952."

Under the heading "Chapter II—Department of Commerce," at the top of page 6, to insert:

"Panama Canal Company

"Panama Canal Bridge

"For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, C. Z., as authorized by the act of July 23, 1956 (70 Stat. 596), \$1 million, to remain available until expended."

Under the heading "Chapter III—Department of Defense—Military Functions," on page 6, after line 15, to insert:

"Department of the Army

"Military Personnel

"For an additional amount for 'Military personnel,' \$27,444,000, to be derived by transfer from the appropriation for 'Procurement and production,' Army."

Under the heading "Chapter IV," on page 7, after line 12, to insert:

"AMERICAN BATTLE MONUMENTS COMMISSION

"Construction of memorials and cemeteries

"To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84)."

Under the heading "Chapter V—Independent Offices," on page 8, after line 8, to insert:

"Administrative Expenses, Employees' Life Insurance Fund

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount made available from the 'Employees' life insurance fund,' for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from '\$117,500' to '\$194,000.'"

On page 8, after line 17, to insert:

"Not to exceed \$23,000 of the funds in the 'Employees' life insurance fund' shall be available for reimbursement to the Civil Service Commission during the fiscal year 1958, for administrative expenses incurred by the Commission during that fiscal year in the administration of said act, and such amount shall be in addition to any amounts otherwise made available from the fund for such expenses for the fiscal year 1958."

On page 9, after line 4, to insert:

"Operating Expenses, Federal Supply Service

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount available for expenses of travel, is increased from '\$120,000' to '\$130,000.'"

On page 9, after line 9, to insert:

"HOUSING AND HOME FINANCE AGENCY

"Office of the Administrator

"Federal Flood Indemnity Administration

"Payment for flood indemnity operations

"For payment of compensation for services rendered by private organizations and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Federal Reserve banks and public agencies as authorized by section 13 (b) of said Act, \$14 million, to remain available until expended."

Under the subhead "Veterans' Administration—Inpatient Care", on page 9, at the beginning of line 22, to strike out "Notwithstanding" and insert "For an additional amount for 'Inpatient care,' \$2 million, of which \$1,450,000 shall be derived by transfer from the appropriation for 'General operating expenses,' fiscal year 1957, and \$550,000 shall be derived by transfer from the appropriation for 'Outpatient care,' fiscal year 1957:"

Under the subhead "Bureau of Indian Affairs—Resources Management", on page 11, after line 2, to strike out:

"For an additional amount for 'Resources management,' for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis, \$133,000, to be derived by transfer from the appropriation for 'Education and welfare services,' Bureau of Indian Affairs, fiscal year 1957."

And, in lieu thereof, to insert:

"For an additional amount for 'Resources management', \$283,000, to be derived by transfer from the appropriation 'Education and welfare services', Bureau of Indian Affairs, fiscal year, 1957: *Provided*, That \$133,000 of the amount herein provided shall be for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis."

Under the heading "Independent Offices," on page 12, after line 19, to insert:

"Alexander Hamilton Bicentennial Commission"

"For an additional amount for 'Alexander Hamilton Bicentennial Commission,' \$15,000."

Under the heading "Chapter VII—Department of Health, Education, and Welfare—Public Health Service—Hospitals and Medical Care," on page 14, line 5, after the word "for," to strike out "the cost of hospitalization" and insert "payments for medical care."

On page 14, after line 7, to insert:

"Foreign Quarantine Service"

"Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service,' when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian) or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of 1½ times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and 2 times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regularly scheduled tour of duty.

"(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than 1 hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond

or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

Under the heading "Chapter VIII—Public Works," on page 18, after line 16, to insert:

"DEPARTMENT OF THE INTERIOR"

"Southeastern Power Administration"

"Operation and Maintenance"

"For an additional amount for 'Operation and maintenance, Southeastern Power Administration,' \$35,000, to be derived by transfer from the appropriation for 'Operation and maintenance, Southwestern Power Administration,' fiscal year 1957."

Under the heading "Department of Defense—Civil Functions—Department of the Army," on page 19, after line 17, to insert:

"Rivers and harbors and flood control"

"Construction, General"

"That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Congress, 70 Stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of \$1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts Nos. H. H. 3170 and H. H. 3168, and not to exceed \$2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before September 15, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings in the appropriate United States district court, tract 208 C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the

public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and the Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

Under the heading "Chapter IX—Department of State—Administration of Foreign Affairs—Salaries and Expenses," on page 22, at the beginning of line 11, to strike out "\$500,400" and insert "\$1,000,000."

At the top of page 23, to insert:

"DEPARTMENT OF JUSTICE"

"Legal activities and general administration"

"Salaries and Expenses, United States Attorneys and Marshals"

"For an additional amount for 'Salaries and expenses, United States attorneys and marshals', not to exceed \$300,000, to be derived by transfer from any appropriation available to the Department of Justice for the fiscal year 1957."

Under the heading "Funds Appropriated to the President—President's Special International Program," on page 24, at the beginning of line 25, to strike out "\$1,300,000" and insert "\$1,500,000."

Under the heading "Chapter XI—Legislative Branch," on page 28, after line 2, to insert: "Senate."

On page 28, after line 3, to insert:

"For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, \$22,500."

On page 28, after line 6, to insert:

"Contingent expenses of the Senate"

"Senate restaurants: For an additional amount for Senate kitchens and restaurants, \$30,000."

On page 28, after line 9, to insert:

"There is hereby established within the contingent fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation 'Contingent expenses, Senate, stationery, fiscal year 1957,' (2) any amounts hereafter appropriated for stationery allowances of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the contingent fund of the Senate for stationery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year and (2) allowances which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund."

Under the subhead "Capitol Buildings and Grounds—Capitol Buildings," on page 30, at the beginning of line 21, to strike out "\$13,500" and insert "\$21,500."

On page 30, after line 21, to insert: "Not to exceed \$25,000 of the amount of \$60,000 under the heading 'Capitol Buildings' continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of two additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the two elevators in the Senate wing located adjacent to the two additional elevators, and is continued available until June 30, 1958."

On page 31, after line 6, to insert:

"Senate Office Building

"For an additional amount for 'Senate Office Building,' \$17,000."

"General Provision

"Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement."

Under the heading "Chapter XII—Claims for Damages, Audited Claims, and Judgments," on page 32, line 21, after the word "Congress," to insert "and Senate Document No. 38, 85th Congress," and in line 22, after the amendment just above stated, to strike out "\$2,728,739" and insert "\$4,437,896."

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. CARLSON. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. CARLSON. I notice, by the report, that the committee is recommending \$14 million for flood insurance. I understand the budget request was \$50 million. The basic legislation, as the Senator from Arizona knows, was passed following the 1951 flood in Kansas, Missouri, and Oklahoma, and of more recent flood disasters in New England, since which time there have been serious floods in the States of Kansas and Texas. I wonder if the Senator will assure us this amount is sufficient to start the work and get it underway.

Mr. HAYDEN. The committee recommended a figure to which we thought we could reasonably ask the House to consent. The House appropriated no money for this purpose. Instead of asking for the full \$50 million, it was thought the Senate should request \$14 million, which will start the program and pay for the services of the private insurance companies which have been cooperating in preparing it.

Mr. CARLSON. I appreciate that information, because we in the Kansas River Basin in Kansas have a deep interest in the matter. I was there last week, and the hope was expressed that the work would be started promptly. With the assurance that this amount will at least enable work on the program to be started, I shall go along with it.

The PRESIDING OFFICER. The Clerk will state the committee amendment which has been passed over and which appears on page 10, after line 20.

The LEGISLATIVE CLERK. Under the heading "Chapter VI—Department of Interior," on page 10, after line 20, it is proposed to insert:

Office of the Secretary

Acquisition of Strategic Minerals

For an additional amount for "Acquisition of strategic minerals," \$30 million, to remain available until December 31, 1958.

Mr. WILLIAMS. Mr. President, does the chairman of the committee wish to make a statement in support of this provision?

Mr. HAYDEN. I do not think I can make any better statement than the committee placed in the report filed by it. In recommending the approval of this item, the committee stated in its report on the previous appropriation bill:

In recommending approval of this item in the urgent deficiency bill, the committee stated in its report (S. Rept. No. 65, 85th Cong.):

"The committee considered funds for this program during the latter part of the last session of Congress. In recommending an appropriation of \$25 million, the committee stated in its report (S. Rept. No. 2770, 84th Cong.):

"The budget estimate for this program—\$91,670,000—the estimated cost of the program for 2½ years. It is the view of the committee that the sum recommended is adequate to carry out the program through January of 1957. The committee expects the Department to submit a supplemental request for funds, through the Bureau of the Budget, when additional funds are required."

"In recommending the initial appropriation (\$21 million was agreed to in the conference committee) the committee gave its approval to the intent of the authorizing act, which is to grant interim relief to the producers of tungsten, asbestos, acid-grade fluorspar, and columbium-tantalum until such time as a long-range nondefense minerals policy is submitted to and acted on by the Congress.

"It is the view of the committee that if this program is discontinued at this time the resulting loss to many of the producers will be so great that they will not be able to recover. The effect of such action would be directly opposite to the intent of Public Law 733, which was to maintain our domestic sources of these minerals."

I might state, Mr. President, that I received a letter not long ago which I think is strictly applicable to this situation. I should like to quote a paragraph from it:

A mine is unlike a store. Once production halts and pumps are removed, a mine usually floods. Often it is lost to further production forever. At a minimum, it costs huge sums of money and a considerable length of time, sometimes years, before a mine can be placed back in operation. It certainly is dangerous folly to treat in this manner an industry producing strategic materials. Also, shutdowns mean that part of the national wealth is lost permanently. It is a terrible waste.

In order that we may have an interim strategic minerals policy, we should try to carry on this program, with the understanding that the present administration will, at an early date, submit a

strategic minerals program for consideration by the Congress. This is an interim program only.

Mr. WILLIAMS. Mr. President, I should like to ask the Senator from Arizona why it is felt necessary to continue the procurement at \$55 a ton, which is so far above the prevailing market price on even the domestic production. Why set a price with such a large margin of profit for producers who are always coming forward to ask the Government to bail them out?

Mr. HAYDEN. The Senator speaks of a large margin of profit. The figure mentioned was determined by the proper authorities of this administration as the amount necessary to be paid in order to have tungsten mined in the United States.

Mr. WILLIAMS. I beg the Senator's pardon. The figure was determined during the war when tungsten was very high in price, both from the world market standpoint and the domestic market standpoint, at a time when we needed the material and there was a great shortage. Why are we carrying those prices over? No other commodity is being treated that way.

Mr. HAYDEN. All I can tell the Senator is that that is the price recommended by those who are responsible for the administration of the act. They suggested no lowering of the price. If it were lowered, we probably would not get the American production we are seeking.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. WILLIAMS. Mr. President, has the Senator from Arizona concluded?

The PRESIDING OFFICER. Does the Senator from Arizona yield the floor?

Mr. HAYDEN. I yield.

Mr. WILLIAMS. Mr. President, I wish to have the floor in my own right.

The PRESIDING OFFICER. The Senator from Delaware has the floor in his own right.

Mr. WILLIAMS. Mr. President, I do not know of any better argument to be used against this amendment than once again to read the testimony on this question made by Mr. Flemming, the chairman of the Office of Defense Mobilization, before the House committee this year.

I might add that this proposal has been rejected three times by the House of Representatives, and I think properly so.

Mr. Flemming said before the House committee:

Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period.

Continuing to read from the House report, the House committee submitted this statement, on page 12 of the report:

Under the new subsidy program, the Government has purchased, since August 1, 1956, over \$15 million worth of tungsten from

domestic producers at \$55 per unit while the United States market price was approximately \$35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of 3 affiliated companies and totaled \$2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that the domestic mines can survive foreign competition. The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over \$39 million of tungsten at \$55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. President, the testimony on behalf of the military establishment and other defense establishments is to the effect that this subsidy program is not needed from the standpoint of the national defense.

Mr. President, we are dealing here today with House bill 7221, which is a bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The language of the committee amendment provides for an additional amount for the acquisition of strategic minerals, \$30 million, to remain available until December 31, 1958. This is obviously in contradiction of the purposes of the bill; therefore, I make a point of order that the committee amendment is out of order and that it is legislation on an appropriation bill.

Mr. HAYDEN. Mr. President, I concede the point of order and offer an amendment.

The PRESIDING OFFICER. The point of order is sustained. The amendment will be received and stated.

The LEGISLATIVE CLERK. On page 10, after line 20, it is proposed to insert:

OFFICE OF THE SECRETARY

Acquisition of strategic minerals

For an additional amount for "Acquisition of strategic minerals," \$30,000,000.

Mr. HAYDEN. Mr. President, I think I should explain to the Senate that the deletion of the phrase, "to remain available to December 31, 1958" from this paragraph does not accomplish anything.

In the Second Supplemental Appropriation Act, 1957, the sum of \$21 million was appropriated for the "Acquisition of strategic minerals," and the paragraph included the phrase "to remain available until December 31, 1958." The amendment pending provides for "an additional amount of \$30,000,000 for the acquisition of strategic minerals," which in effect amends the parent paragraph in the Second Supplemental Appropriation Act of 1957, therefore all conditions and limitations contained in the parent paragraph apply to the funds provided in the pending amendment.

This position was sustained in a decision by the Comptroller General in 1940, and can be found in volume 20, Decisions of the Comptroller General, page 769.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, my friend, the Senator from Delaware [Mr. WILLIAMS], and my friend, the Senator from Illinois [Mr. DOUGLAS], desire to have the yeas and nays ordered. I think they should be ordered. I hope a rollcall will be ordered so that the Senator from Delaware and the Senator from Illinois and all other Senators will be aware of the action to be taken.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arizona [Mr. HAYDEN], on which the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to have the attention of the distinguished chairman of the Committee on Appropriations. As I understand, the measure the Senate has under consideration proposes to amend the bill as passed by the House of Representatives, to provide an increase of \$62,501,257.

Mr. HAYDEN. It does.

Mr. JOHNSON of Texas. Of the \$62,501,277, \$45 million has been taken from a deficiency bill previously passed by this body. Is that correct?

Mr. HAYDEN. Forty-five million dollars.

Mr. JOHNSON of Texas. Of the \$45 million, \$15 million is for emergency conservation measures, and \$30 million is for acquisition of strategic minerals. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The other items are: The Panama Canal Bridge, \$1 million; the Alexander Hamilton Commission, \$15,000; and flood insurance, \$14 million. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The budget estimate in that connection was \$30 million.

Mr. HAYDEN. It was \$50 million.

Mr. JOHNSON of Texas. And the House allowed nothing.

Mr. HAYDEN. The House allowed nothing.

Mr. JOHNSON of Texas. The Senate committee restored \$4 million.

Mr. HAYDEN. Yes.

Mr. JOHNSON of Texas. The State Department salary increase is \$699,600. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. As I understand, that is the result of the manda-

tory benefits under Public Law 828, for 1957. We passed Public Law 828, and as a result of the mandatory requirements of the act, for 1957, this \$699,600 must be provided.

Mr. HAYDEN. It is necessary to comply with the law.

Mr. JOHNSON of Texas. Then there is a claims item of \$1,709,157.

Mr. HAYDEN. Those are audited claims, which we always pay.

Mr. JOHNSON of Texas. There is also a legislative item of \$77,500.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. That makes a total of \$62,501,000.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The Senate has previously acted with respect to \$45 million of that sum.

Mr. HAYDEN. The Senator is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield for a further question?

Mr. HAYDEN. I yield.

Mr. LAUSCHE. With respect to the chapter dealing with the Public Health Service, and hospital and medical care, there is a provision dealing with employees of the United States Public Health Service, requiring that for ordinary overtime they shall be paid time and a half, and work on Sundays and holidays they shall be paid double time. My question is, What is the general rule with reference to the scale of pay which is applied to employees generally throughout the country? Is it not generally time and a half? If it is, why is this provision being made for double time for holidays and Sundays?

Mr. HAYDEN. This is a subject with which the Senator from Alabama [Mr. HILL] is more familiar than anyone else. I will ask him to answer the question.

Mr. HILL. Mr. President, I will say to the distinguished Senator from Ohio that this provision follows the general rule of time and a half for ordinary days, and double time for Sundays and holidays.

Mr. LAUSCHE. Why is it that this question has arisen at this time?

Mr. HILL. Under the existing statute, when ships come into port, say, in the afternoon, and they cannot be checked out of quarantine by 6 o'clock, that means that they must lie over until the next day. The shipping interests are very much interested in obtaining this service around the clock, or after 6 o'clock in the afternoon, so that ships will not lose time lying in port waiting for the service. The shipping association is very strongly in favor of this provision. The House conferees and the Senate conferees unanimously agreed on a similar provision in connection with a previous bill, which did not become law because that particular bill was one of the appropriation bills which the House did not finally act upon. But so far as I know, all parties interested in this question are in agreement about desiring this provision of the bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PASTORE. Am I correct in making the statement that the expense incurred under this provision does not

represent money paid by the American taxpayer? It is money with respect to which there is reimbursement by the interests which require this special treatment.

Mr. HILL. The shipping companies themselves will pay the extra costs. They are perfectly willing to pay them. In fact, they are so eager for the service that they are glad to have the opportunity to pay the costs of the service.

Mr. LAUSCHE. It is my understanding that the present rule is that the pay is time and one-half for holidays and Sundays. Is it the understanding of the Senator from Alabama that the rule calls for double time for Sundays and holidays?

Mr. HILL. It is my understanding that this provision follows the regularly prescribed rule, which is double time for Sundays and holidays. As the Senator from Rhode Island has well pointed out, these expenses will not be borne by the taxpayers. They will not come out of the Federal Treasury. The costs will be paid for by the shipping companies. They are saying to us, "Give us this service. We are willing to pay for it."

Mr. PASTORE. As a matter of fact, that is the rate of pay for those who work at these terminal points for other organizations, not connected with the Government.

Mr. HILL. Other organizations and other services in connection with our shipping.

Mr. LAUSCHE. The purpose of the question is to make certain that we are not establishing a precedent which will subsequently be used in making demands such as those covered by the language of this bill, which would establish a rule which is not presently applicable generally.

Mr. HILL. The Senator's question is a good one, and a very pertinent one. I think we are establishing no precedent which will arise in the future to trouble us.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

Mr. JOHNSON of Texas. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, after line 20, it is proposed to insert the following:

OFFICE OF THE SECRETARY

Acquisition of strategic minerals

For an additional amount for "Acquisition of strategic minerals," \$30 million.

Mr. LAUSCHE. Mr. President, this subject has been discussed at some length in the Senate. There exists at present an impasse between the House and the Senate concerning the item as it was written by the Senate into the urgent deficiency bill.

About 3 days ago there came to my office an official of one of the tungsten companies. He told me that this program of the Senate, subsidizing the manufacturers of tungsten when we already have at least a 5-year supply available, would bring profit to his company.

However, he stated to me that, as an American citizen, he did not want that profit, knowing that the program was wrong.

Every bit of testimony offered on this subject indicates that we have more tungsten than we need. We are talking about reducing the budget. I know of no better place to begin than in connection with a subject with respect to which the testimony proves that we are merely continuing a program to purchase supposedly strategic materials, of which we already have an overabundance. Mr. Flemming testified on the subject, and his testimony was quoted by the Senator from Delaware. He said that the tungsten on hand exceeds both the minimum and long-term stockpile objectives, and the inventory plus orders is larger than the total 5-year wartime requirements.

I simply cannot understand how, in the face of the huge tax burden, the huge budget, and the huge national debt, we can justify investments of this type.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. HAYDEN. The Senator was quoting Mr. Flemming. However, with respect to tungsten, Mr. Flemming had this further to say:

In view of the fact that the purchase program is about to terminate and that all defense needs have been met, we believe that this also is a situation where Congress should take appropriate action to assist the industry by providing for the purchase of specified amounts from nondefense funds until Congress has had time to consider recommendations from the Department of the Interior for a long-range program.

In other words, if it were a permanent program, or if we were to continue it for a long time to come, that would be one thing. However, if it is a matter of keeping faith with people who have engaged in the mining of tungsten for only a brief period, as specified in the bill, pending the time when the administration can develop a strategic-mineral program, that is a very different thing. That sheds a different light on Mr. Flemming's first statement.

Mr. LAUSCHE. I appreciate deeply the fact that Dr. Flemming did make that statement. However, that statement was made a year ago. The subject has been under discussion for 2 years. Two years ago it was stated that the quantity of tungsten available was adequate to the wartime needs of this country. My query is: "How long are we to continue to have this transition from a wartime situation to a peacetime situation? Two years have now passed. How much longer will be needed?"

ACCESSIBILITY OF CRITICAL MATERIALS—HIGHER TEMPERATURE ALLOYS

Mr. MALONE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. MALONE. I have before me a letter from R. H. Thielemann, chairman of the department of metallurgy, Stanford Research Institute in California.

The Stanford Research Institute led by Mr. Thielemann, has been conducting research on the metallurgy of high heat resistant alloys. This is Mr. Thiele-

mann's conclusions—excerpts from his letter of May 15:

Until less than a year ago the effort was to engineer tungsten out of military programs.

I shall put the entire letter in the RECORD later.

Mr. President, for 20 years we did not produce any domestic tungsten because we were in direct competition with the sweatshop labor throughout the world. All that is needed to have domestic production of most of the critical, including tungsten, is to pay the difference between the cost of labor and the general cost of doing business in the United States and abroad. Therefore, in this legislation the effort was made to adjust the price to meet that additional cost.

Mr. Thielemann goes on to say:

JET SPEED, GUIDED MISSILES, AND HIGHER TEMPERATURES

Our whole technocracy today is aimed at higher temperatures. This is true in both commercial and military fields. At the present time the jet engine presents the important challenge, but missiles and other applications where high temperatures are involved are becoming increasingly important. As you know, we are spending very large sums to develop a commercial use of atomic energy but the program is bogging down badly because the reactors cannot be operated at high enough temperatures to make them economical.

Mr. President, our current annual use of tungsten has been around 8 million pounds. If we had 90 million pounds in the stockpile, it would mean around 11 years, supply under present conditions.

However, if what the metallurgists of the Thielemann type say is true, then the annual use might easily become thirty to forty million pounds, which would reduce the stockpile to 2 to 3 years—and the security of this Nation could be endangered.

MILITARY PROGRAM CAN BE DEFEATED—COMMERCIAL USE OF AIRCRAFT RETARDED

Therefore I would say to the Senator from Ohio, who I know has the best intentions in the world, that we can defeat the military program by quoting testimony of an expert after laboratory work and research has made such testimony obsolete.

Mr. President, I would say to the distinguished junior Senator from Ohio that by quoting a former Secretary of the Interior, Mr. Ickes, when he continually stated over the years of his incumbency that we did not have any critical materials, including tungsten.

He died thinking that we must remain dependent upon Burma and northern China for the necessary tungsten.

It never meant anything to him that if the Congress either fixed a price on domestic tungsten or returned to the Constitution in the regulation of foreign trade by adjusting the duty to make up the difference in cost of production here and abroad—that we would produce all of the tungsten we need.

Mr. LAUSCHE. Mr. President, in reply to the Senator, I should like to read from the report of the committee:

The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for

further domestic purchases of any of these four materials.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

WORLD WAR II AND KOREAN WAR USE OF
TUNGSTEN RETARDED

Mr. MALONE. I should like to say that last fall the Committee on Interior and Insular Affairs asked Mr. Quarles, Secretary of the Air Force, to come before the committee and tell the members of the committee why the Government was restricting the amount of tungsten being used in jet engines beyond the point of safety and thereby curtailing the life of the engines. Mr. Quarles replied: "Because we do not have the tungsten."

We said, "We asked you to come before the committee to tell you you are not informed that we are producing more tungsten now than is actually being used in this country."

Within 2 weeks he took the restriction off and let the designers use the required amount of the indispensable metal in the manufacture of jet engines.

Did the distinguished Senator from Ohio know that there was a restriction all during the Korean war on the amount of tungsten that could be used, simply because we were not supposed to be able to produce it in this country and we could not get it from across major oceans?

Mr. LAUSCHE. I deeply appreciate the comments made by the distinguished Senator from Nevada. However, what he says does not at all alter the word that has come from the person who is in charge of Defense Mobilization. He said that we have more tungsten than we could use in a period of war.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. LAUSCHE. I yield.

PROGRESSIVE METALLURGY

Mr. MALONE. I would say that this metallurgical investigation is progressing progressively. We are trying to create a higher heat resistant alloy. The writer of the letter I have before me says that the only alloy that will stand above 2,000° heat resistance in tungsten. Therefore, that fact alone would several times over increase the use of tungsten.

It is apparent that anything said even 6 months ago with reference to jet engines may not be true as of now. The designers will tell you that with the improved alloys often an airplane or engine designed today may be obsolete before it goes into production.

Mr. LAUSCHE. That statement still does not alter the fact that the person who is in charge of the program tells us we have all the tungsten we need.

Mr. MALONE. I would merely say that that was said a year ago and that the gentleman he quotes is no longer in charge of the program.

Mr. LAUSCHE. Mr. President, I yield the floor.

Mr. BIBLE. Mr. President, I desire to make only a few observations on the pending amendment. It seems to me that since the institution of this program we have had a situation which, boiled down, may be expressed in this way: Is

Congress prepared to keep faith with the commitment it made in Public Law 733 last year?

I recognize full well that there are Senators who have a different opinion than I about the particular legislation referred to. However, Public Law 733, authorizing the continuance of the strategic minerals program, was passed by an overwhelming vote. Later on, implementing funds were provided, in the amount of approximately \$21 million. The Committee on Appropriations at that time sent to the floor, in the closing days of the session, a statement that it was anticipated that further funds would be forthcoming in the 1st session of the 85th Congress.

Unquestionably, the miners in the field acted upon that representation, as they had every right to act upon it. They continued the mining, they continued their investments, and they even went out looking for new prospects, thinking that Congress was going to keep faith.

Then in the first supplemental appropriation bill of this session there was a difference of opinion between the House and the Senate. However, the Senate was very clear on that particular point, and by a vote of 64 to 17 it said, in my opinion, "We shall keep the faith"—and we did keep the faith, so far as the Senate of the United States was concerned.

Without laboring the point, without extending the argument, I point out to my beloved friend, the distinguished junior Senator from Ohio [Mr. LAUSCHE], who has constantly mentioned the testimony of Dr. Flemming, that I am familiar with Dr. Flemming's testimony of 2 years ago. But I am familiar also with Dr. Flemming's testimony of February 26 of this year—just a short 90 days ago. The proponents of Public Law 733 did not put the issue on a defense basis, nor did Dr. Flemming do so in his well-reasoned report to the committee. On February 26 of this year, Dr. Flemming, in explaining why the ODM was supporting Public Law 733, said:

We are supporting it on the ground that there is a long-term policy that the administration is going to present and that the Congress is going to consider, and we feel that during this interim period between now and the time there is agreement on the long-term policy it just does not make good sense from any point of view to permit these mines to close down and the water to flood the mines, and so on, and to put the miners out of work.

Dr. Flemming said further:

We feel that Public Law 733 represents sound public policy under all of the circumstances that confront us at the present time.

In direct reference to tungsten, to which the Senator from Ohio alluded, Dr. Flemming said:

We should avoid weakening this particular segment of our economy by permitting it to close down, as a weakened segment of the economy weakens the foundations on which our whole defense mobilization program rests. To that extent there is a defense relation. Then to the additional point I have just made we are also in a strong position from a defense point of view if we have a going concern rather than something that is shut down when there is also a possibility that the military requirement figures may

change and we may need to acquire additional material.

Dr. Flemming added, in the same testimony, at the same hearing, on February 26 of this year, just a short 90 days ago:

I want it to be clearly understood that we favor Public Law 733, and naturally favoring the public law we favor the appropriation of the funds necessary to carry out the policies set forth in that public law.

Dr. Flemming said also:

We do believe that it is important for Congress to follow through on the policy that was reflected in Public Law 733 as passed by the Congress and signed by the President.

So I say to my good friend from Ohio that, to me, what is involved is keeping faith with a solemn obligation of Congress, passed less than a year ago, and upon which the people of my State rely. Nevada, with 79 producers, is the second largest tungsten-producing State. We have several large mines, 5 in number, the largest of which employs 225 men. That certainly would not be called big by any of the standards which would apply in a great State, such as Ohio, having vast industrial development.

Before I close, I wish to make one further point. As the record will show, there are outstanding some \$62 million in contracts to purchase tungsten from foreign producers at an average price of \$55 a unit. I am advised that those contracts are legal, that they are enforceable, and that the foreign producers can collect on them. Yet now, at this very moment, are we to say to our domestic producers, "We did not say that. We will not carry out the word we gave you last July"?

I think the problem is that simple. I believe the amendment should be overwhelmingly adopted.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to my amiable, but probably differing, colleague from the great State of Delaware.

Mr. WILLIAMS. The Senator's flattery has almost made me forget what I was going to ask him.

Mr. BIBLE. I shall be glad to enlarge upon my compliment.

Mr. WILLIAMS. Is it not a fact that some of the same domestic producers to whom the Senator from Nevada has referred are also foreign producers?

Mr. BIBLE. Some of them are foreign producers. The answer is "Yes."

Mr. WILLIAMS. And are not some of them importing material, as well as producing it in this country?

Mr. BIBLE. The answer is, that there are several on the list who produce both in the foreign field and in the domestic field.

Mr. WILLIAMS. Is not \$55 a ton about the highest price they have ever received, even in wartime?

Mr. BIBLE. I cannot answer that it is the highest price.

Mr. WILLIAMS. From \$55 to \$65 was the range during the war; but these contracts were made at \$55 a ton during the height of the Korean war and are being carried over now into the peacetime economy.

Mr. BIBLE. I think the table shows that there is one foreign contract to purchase at \$59 a unit, rather than \$55.

Mr. WILLIAMS. That is correct.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Colorado.

Mr. CARROLL. The distinguished Senator from Nevada has put his finger on the key argument in the whole debate.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Colorado speak louder? I should like to hear what he has to say.

Mr. CARROLL. I was a member of the committee that listened to Dr. Fleming. His testimony was exactly as the Senator from Nevada has outlined it within the last few minutes. Moreover, the most important part of the discussion before the committee was based upon this point, not upon the wisdom of the 84th Congress in passing an appropriate piece of legislation. Having passed it, Congress is now confronted with the question of whether the tungsten industry has changed its financial position because of its faith in a law which Congress passed, as I understand in, July 1956.

As a matter of fact, in Colorado, a very small group of people are affected by the tungsten industry, so I am not making any special plea for the industry in my State. However, I received a telegram from one of our producers, a small one, in Boulder County, who asked: "Why didn't you say this to us in 1956? I have now changed my financial position, and I have been relying on this particular legislation."

As the able Senator from Nevada has so clearly stated, the legislation originally may not have been wise, but now we are no longer confronted with a theory, but with a condition. The question now is, having caused some of those folks to change their position, what are we going to do about it?

Let us look at the record. I will ask the Senator from Nevada if I correctly understand the record to be that the House Committee on Appropriations granted some money for this purpose for fiscal 1957. They did, did they not?

Mr. BIBLE. They did; in July 1956, they granted \$21 million.

Mr. CARROLL. Is it not true that the Department of the Interior is asking for additional money in order to round out this fiscal year?

Mr. BIBLE. That is true. I might even go further and say that one agency of the Government, the General Services Administration, which is in charge of the act, gave instructions to those in the field as to what they should do on the lapse of the \$21 million appropriation, thus giving every indication that they were going forward. At the very beginning of this session of Congress, the GSA sent to Congress a regular budget request.

Mr. CARROLL. I wish to commend the distinguished junior Senator from Ohio for looking into these matters. They ought to be checked; yes, they ought to be watched. Perhaps this is the time now, in fiscal 1957 and before we begin fiscal 1958, to say to domestic tungsten producers, "Watch out for the temper of Congress." Unless the admin-

istration comes forward with an intelligible, comprehensive, practical program, as it ought to have done, and as I understand it has not done, I think we can throw up some warning signals. But clearly, Congress is not in a position today to repudiate what has been done before, because to do so would be to the detriment of those who have changed their financial position.

Mr. BIBLE. I thank the Senator from Colorado. I yield the floor.

Mr. WILLIAMS. Mr. President, the Senator from Colorado has claimed that this is an obligation of the United States Government. He has suggested that if the item for this additional \$30 million is not included in the bill, as enacted, the Congress will be reneging on certain contracts. That is not correct, Mr. President. Congress did pass an authorization bill, but contracts with the mine producers are only negotiated on the basis of appropriations. Congress always has the right to lower appropriations below authorizations.

When the authorization was made, the Office of Defense Mobilization was not authorized to make firm contracts except as made later after he got the money. The Director of Mobilization now has on hand sufficient funds for the carrying out of every contract which has been signed by the United States Government.

The pending amendment would provide \$30 million, so as to enable the Office of Defense Mobilization to sign another \$30 million worth of new contracts for the purchase of tungsten at \$55 a ton. Inasmuch as the contracts will be new contracts, it is obvious that if the committee amendment is rejected, we shall not be reneging on any contracts.

In conclusion, I ask unanimous consent that the complete text of the House report be printed at this point in the RECORD. It clearly demonstrates the lack of need for the \$30 million.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR ACQUISITION OF DOMESTIC MINERALS

The committee has disallowed the supplemental budget request of \$30 million to continue, under Public Law 733, the domestic purchase of tungsten, asbestos, fluorspar, and columbium-tantalum for the remainder of the current fiscal year. Considering that there is clearly no defense justification for further acquisition of these minerals, the committee feels that continuation of this subsidy program at an estimated total cost of \$91 million is entirely unwarranted.

The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which \$68,750,000 has been proposed, representing 80 percent of the total purchase program:

"Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war,

we would have enough in the stockpile to meet total requirements for approximately a 5-year period."

The committee believes there is even less justification for continuing this subsidy program at this time than there was on August 14, 1955, when the President vetoed H. R. 6373 which would have directed the continuation of the existing domestic minerals purchase programs under the Defense Production Act for certain minerals, including at least 3 of the 4 in question. In his veto message, the President said:

"* * * Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the program. Indeed, this bill would make solution of the overall problems of the industry more difficult. * * * The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry."

It is obvious that no longer-range program has yet been developed by the Administration. This is best evidenced from a review of the situation prevailing in the tungsten industry. Since 1951 the Government has purchased from domestic producers, at \$63 per unit 3 million short-ton units under Defense Production Act authority at a total cost of \$187,562,751. During this period, the Government also awarded certificates of tax necessity and provided assistance under defense minerals exploration programs to many of these same producers.

During the first half of 1956 almost all of the domestic production was being delivered to the Government under the purchase program at the price of \$63 per unit, while industrial needs were being supplied from imports at about \$43 per unit. As the amount on hand and on order exceeded even long-term stockpile objectives, it was necessary in June 1956 to discontinue defense purchases from domestic producers.

Under the new subsidy program, the Government has purchased since August 1, 1956, over \$15 million worth of tungsten from domestic producers at \$55 per unit while the United States market price was approximately \$35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of 3 affiliated companies and totaled \$2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that the domestic mines "can survive foreign competition." The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over \$39 million of tungsten at \$55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. MAGNUSON. Mr. President, I shall speak only briefly.

The Senator from Colorado raised the question as to whether the committee amendment is meritorious. I do not wish to discuss the details in connection with the tungsten item, because the Senator from Colorado and I have heard a great deal of testimony on that subject.

We have just concluded hearings on the stockpiling program, and the hearings covered the list of strategic metals which are absolutely vital to the defense of our country. Some of them become less and less vital as technological changes are made in our economy. However, Mr. President, today the economy of the United States is moving into a high-temperature age; that is the best way I can describe the jet age and the missile age. In that connection, the list includes tungsten, chromium, and stainless steel. As everyone knows, tungsten is becoming more and more important. Anything the Congress can do legitimately and equitably to assure that the Government will have the best type of contracts is, I believe, well worth while and highly desirable in the case of our stockpiling program and in connection with the use of tungsten in commercial activities.

Without discussing the details, let me say that, although perhaps we should examine the program again, nevertheless, tungsten is becoming very important. Some of the contracts may not be of the best value to the Government. However, last Friday I discovered that in the case of our Government's acquisition of scarce strategic metals, if all the Government's present holdings, now in the stockpile, were sold for what the Government had paid, it would, on the basis of the world market price, make a profit of approximately 40 percent.

As I have suggested, tungsten is vitally important. I hope the Congress will vote to continue this program, even though perhaps some of the details should be examined. Tungsten is one of the strategic metals in the high-temperature age, and tungsten is becoming

more and more valuable to our defense and to our commercial uses."

Mr. LAUSCHE. Mr. President, I am somewhat bewildered by the division in the reasons advanced by the proponents of the amendment in their arguments advocating its adoption.

The Senator from Nevada and the Senator from Washington have stated that because of the need for materials which will withstand high temperatures, tungsten must be purchased by the Government. Other Senators argue that there is a moral obligation on the part of the Government to pay those who have kept their plants open, in relying upon the authorization voted by the Congress in 1956.

However, there is no contract between the Government and those persons. Furthermore, it is admitted that tungsten is being imported at the present time. On the one hand, the Government is paying a profit of \$20 on every ton of tungsten that is imported. On the other hand, the Government is proposing to subsidize the domestic producers, by means of the pending \$30 million amendment. So there is a division of opinion among the proponents. I assume that the division of opinion has developed as a consequence of the weakness of their position.

Mr. President, I shall not vote for the pending amendment. I repeat that to my office came an official of a company which purchases tungsten from abroad and manufactures domestic tungsten. He said to me, "We stand to profit. However, I cannot take that profit from my country. So I urge you to fight the measure."

Mr. MAGNUSON. Mr. President, I do not wish to discuss the details of this proposal. The Appropriations Com-

mittee has done that. My point is that I think there is involved a little of both the matters the Senator from Ohio has mentioned.

If tungsten were not so scarce a metal, the situation might be somewhat different.

I do not know what contracts will be made in the future. I do know that after some days of testimony, it became apparent that the more the domestic producers are helped—and in that connection I hope the contracts are fair to the Government—and the more the domestic production can be encouraged, and the more importations can be avoided, the better off our country will be in the case of this very important metal.

PUBLIC LAW 733 PURCHASES DOMESTIC MINERALS, FOREIGN PURCHASES SEPARATE CONTRACTS

Mr. MALONE. Mr. President, I should like to say to my distinguished friend, the Senator from Ohio [Mr. LAUSCHE], that there is a difference.

The pending amendment calls for an appropriation for the purchase of domestic critical materials, including tungsten. What the Senator from Ohio has in mind are those who sell to the Government under the Domestic Minerals Act, Public Law 733, which includes tungsten, but who also have contracts with the GSA for foreign production.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the outstanding contracts to which the distinguished Senator from Ohio has referred.

This table in part was offered for the record in the committee hearing, by my colleague from Nevada [Mr. BIBLE].

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Active contracts with foreign tungsten producers as of Dec. 31, 1956

Contract No., GS-OOP	Contract date	Contractor	Origin	Undelivered balance (STU) Dec. 31, 1956	Contract unit price in effect Dec. 31, 1956, per STU	Estimated value undelivered quantity ¹	Termination date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
614 (SCM).....	Feb. 6, 1951	King Island Scheelite.....	Australia.....	101,250	\$55.00	\$5,568,750	Apr. 8, 1958
724 (SCM).....	June 22, 1951	Wah Chang Corp.....	Brazil.....	414,460	55.00	22,795,300	Dec. 4, 1959
1058 (SCM).....	May 1, 1951	Minerales y Metales.....	Argentina.....	179,140	50.00	8,957,000	June 30, 1958
1336 (SCM).....	Oct. 11, 1951	S. A. Fermin Malaga.....	Peru.....	118,250	46.739	5,526,886	Dec. 21, 1958
1612 (SCM).....	Oct. 2, 1951	Canadian Exploration, Ltd.....	Canada.....	180,000	55.00	9,900,000	Do.
2486 (SCM).....	Jan. 2, 1952	Mauricio Hochschild.....	Bolivia.....	51,214	59.00	3,021,626	June 30, 1957
2610 (SCM).....	Dec. 31, 1951	Bolivian Tin & Tungsten.....	do.....	58,333	² 59.00	3,348,256	Dec. 31, 1957
3727 (SCM).....	Jan. 27, 1953 ⁴	African Metals Co.....	S. Africa.....	3,000	³ 55.00	159,000	Feb. 28, 1957
2857 (SCM).....	Apr. 22, 1952	Storeys Creek Tin Mining Co.....	Tasmania.....	5,130	55.00	282,150	Apr. 21, 1957
18034 (D).....	Aug. 29, 1952	Minerales de Compostela.....	Spain.....	10,300	53.00	545,900	Mar. 20, 1957
12224 (D).....	Mar. 18, 1952	Beral Tin & Wolfram.....	Portugal.....	39,000	47.50	1,852,500	Sept. 30, 1957
Total.....				1,160,076	53.60	61,957,368	

¹ Based on contract unit price in effect Dec. 31, 1956.

² Grade A.

³ Grade B.

⁴ Offer actually accepted by the Government Sept. 5, 1952.

Columbite, 800,532 pounds, at \$2.411=\$1,929,282.

Fluorspar, 169,322 short dry tons, at \$65.03=\$10,672,365.

Asbestos, all grades, 2,883 short tons, at from \$250 to \$832=\$1,722,887.

WAGES LESS THAN AMERICANS PAY IN INDUSTRIAL INSURANCE AND SOCIAL SECURITY

Mr. MALONE. Mr. President, in the case of 2 of the contracts, \$59 a unit is paid—or an average of \$53 a unit for the tungsten contract, the source of which include Australia, Brazil, Argentina, Peru, Canada, Bolivia, South Africa, Transylvania, Spain, and Portugal.

The wages paid to tungsten miners in most of those countries are not as large as the amounts paid in the United States for industrial insurance and social security in the case of each of these critical materials miners. Yet it is argued by some that United States labor should compete with such low-paid foreign labor.

If that is the position of the Senator from Ohio, I think he should vote against the amendment.

R. H. THIELEMAN, STANFORD INSTITUTE

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Mr. R. H. Thielemann, chairman of the department of

metallurgy, of Stanford Research Institute, in California.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STANFORD RESEARCH INSTITUTE,
Menlo Park, Calif., May 15, 1957.
The Honorable GEORGE W. MALONE,
United States Senator from Nevada,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONE: I am in receipt of your office newsletter of April 18, 1957, stating that the \$30 million item for domestic purchase of tungsten and other critical materials has been deleted from the 1957 deficiency appropriation bill. As you are well aware, unless the domestic mining industry has a market for their product at a price which is commensurate with the cost of their operations, they have no other alternative but to close down. Because of the fact that large quantities of tungsten from foreign sources can be mined with cheap labor and delivered to this country at a price far below the cost of the domestic mined tungsten, there is no market for the domestic tungsten since the existing duties and tariffs do not make up for the difference in cost. It follows that, unless some long range policy can be adopted to make it possible for the domestic mines to operate, they will soon be out of business.

From the strictly technical point of view this situation could have a very serious effect on our efforts to develop the high temperature alloys which are so urgently needed for many of the military and commercial programs. As you know, it wasn't until recently that metallurgists and engineers in this country realized that there could be tungsten available for a large scale usage. Until less than a year ago the effort was to engineer tungsten out of military programs. It was my personal experience to use substitute alloys in the J-57 engine to keep the usage of tungsten within the military requirements. Now that we know we can have tungsten in large quantities, programs have been started to develop new high temperature materials based on the use of tungsten and some of these are presently being tested in advanced jet engines. You know as well as I do that if there is no domestic production of tungsten, the price of foreign material will again be raised to whatever the traffic will bear and tungsten will once again be looked at as an expensive material that has to be imported from foreign shores and, hence, should not be used in jet engines and other military applications. For this reason it seems imperative that we maintain a sufficient domestic tungsten industry to stabilize both the price and the supply of tungsten.

Although it may take a year or so for this to become obvious to all concerned, there are many of us who are working on high temperature alloys who now realize that tungsten is the only metal we have which can be used for the high temperature applications that are so important. Our studies indicate that tungsten is the only one of the high melting point metals that can be alloyed so that inherent oxidation resistance will be developed at temperatures over 2,000 degrees Fahrenheit. A lot of work still remains to be done to develop techniques for processing tungsten base alloys but I am convinced that we will be successful. When this happens the usage of tungsten will be greatly increased and if there is no domestic supply you know what will happen if we are dependent on foreign sources.

Our whole technocracy today is aimed at higher temperatures. This is true in both commercial and military fields. At the present time the jet engine presents the important challenge but missiles and other ap-

plications where high temperatures are involved are becoming increasingly important. As you know, we are spending very large sums to develop the commercial use of atomic energy but the program is bogging down badly because the reactors cannot be operated at high enough temperatures to make them economical. It follows that the most important factor in our technological planning is the one of developing high temperature materials and tungsten is certainly going to be important in this overall picture. It is for this reason that I hope that something can be done to keep a domestic tungsten industry in operation.

Very truly yours,
R. H. THIELEMAN, *Chairman, Department of Metallurgy.*

Mr. MALONE. Mr. President, I wish to read a part of the letter from Mr. Thielemann, for the information of the Senate, as follows:

Although it may take a year or so for this to become obvious to all concerned, there are many of us who are working on high-temperature alloys who now realize that tungsten is the only metal we have which can be used for the high temperature applications that are so important.

SPEED OF JETS DEPEND UPON HIGHER TEMPERATURE ALLOYS

Mr. President, I have already stated in the debate that the metallurgists are trying to increase the heat resistance of the alloys used in the manufacture of jet engines. The attempt is to raise them to an average of 2,000° higher, and some believe that 3,000° may be reached. Upon the heat resistance of such alloys depends the speed and effectiveness of the jet engine and the missiles programs.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I am glad to yield to the distinguished senior Senator from Texas, the majority leader.

Mr. JOHNSON of Texas. Mr. President, the Senator from Nevada is a distinguished engineer and is one of the outstanding authorities on this subject, he having been for many years chairman of the Minerals and Materials Subcommittee, and having made a close study of the facts.

I am aware of the shortage of tungsten which frequently has occurred in the United States in connection with its military needs; and I am familiar with the authorization the Congress has made in this field.

I should like to know the difference between the pending committee amendment, which calls for the appropriation of \$30 million, and the \$30 million item the Senate voted on February 18, 1957.

Mr. MALONE. There is no difference but I would like to have the distinguished senior Senator from Arizona [Mr. HAYDEN], the chairman of the Appropriations Committee, answer the Senator's question.

Mr. JOHNSON of Texas. Let me point out that on February 18, 1957, the Senate, on a yea-and-nay vote, adopted by a vote of 64 to 17, an amendment, offered by the Senator from Arizona (Mr. HAYDEN), on page 7, in line 21, reading as follows:

For an additional amount for "Acquisition of strategic minerals", \$30 million, to remain available until December 31, 1958.

Is not this identically the same amendment we voted on then?

Mr. HAYDEN. The Senator from Delaware made the point of order with respect to the last words the Senator from Texas read, "to be made available."

I concede the point of order, pointing out that on the original legislation the Comptroller General handed down a decision that that language was not necessary. We could leave it out of the bill and still get the same result.

Mr. JOHNSON of Texas. But my question is: Is not this in effect the same vote we had on February 18, 1957, when we had a yea-and-nay vote on putting the \$30 million item for strategic minerals in the bill, and adopted its proposal by a vote of 64 to 17?

Mr. HAYDEN. That is exactly the question pending now. It is the same basic question.

Mr. JOHNSON of Texas. The Senator has answered my question.

Mr. MALONE. Mr. President, on March 7, 1944, the infamous Harry Dexter White, a Communist of the first order, sent a memorandum to the then Secretary of the Treasury, at his request; recommending that we finance Russia to finance their operations in furnishing critical materials to the United States. These materials included petroleum, manganese, tungsten, zinc, lead, chrome, and mercury.

This would, of course, mean that we would become dependent upon Russia for the critical minerals, without which we could not fight a war or live in peace. I ask unanimous consent to have printed in the RECORD at this point the marked excerpt from Senate Report No. 1627, 1954, starting on page 370.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

APPENDIX IV

HARRY DEXTER WHITE MEMORANDA OBTAINED FROM PRINCETON UNIVERSITY LIBRARY AND FILES OF TREASURY DEPARTMENT

MARCH 7, 1944.

Subject: Proposed United States loan to the U. S. S. R.

To: Secretary Morgenthau.
From: Mr. White.

The following memorandum is in reference to your request that the feasibility of the extension of a large credit to the U. S. S. R. in exchange for needed strategic raw materials be explored. Your opinion that such an arrangement might well be feasible appears to us to be supported by our study of the possibilities.

1. Recent confidential reports on our raw material resources prepared for the Under Secretary of Interior disclose an increasing dependence of the United States on foreign sources of supply for strategic raw materials because domestic reserves have been seriously diminished or virtually depleted.

2. The following table indicates the extent of United States current reserve supplies for some important strategic materials which can be produced in quantity in the U. S. S. R., in terms of prewar and current war, domestic requirements:

Reserve domestic supplies

	On basis of our 1938 domestic consumption	On basis of our current consumption, 1943
Petroleum.....	16 years' supply.....	13 years' supply.
Manganese.....	9 years' supply.....	3 years' supply.
Tungsten.....	23 years' supply.....	Do.
Zinc.....	17 years' supply.....	8 years' supply.
Lead.....	7 years' supply.....	6 years' supply.
Chrome.....	No record.....	Less than 1 year's supply.
Mercury.....	3 years' supply.....	2 years' supply.

3. It is evident from the above table that, although our domestic reserves of petroleum, tungsten, and zinc may suffice to meet consumption requirements for the next decade, they will be almost entirely dissipated by the end of that period; in the case of manganese, chrome, mercury, and lead our resources are too limited to satisfy even probable domestic requirements of the next 10 years. The number of strategic materials for which our reserves are very low and which can be produced in the U. S. S. R. is greater than indicated above, and includes platinum, vanadium, graphite, and mica.

4. Although our reserves of strategic materials could be somewhat expanded, given an increase in price to make possible further development of marginal resources, the necessity of growing United States dependence on foreign sources of supply in order to satisfy anticipated postwar industrial requirements and to maintain adequate security reserves, is inescapable. (See attachment I for complete table on United States metal reserves.)

U. S. S. R. UNTAPPED RAW MATERIALS BESERVOIR

1. The U. S. S. R. is richly provided with a wide range of strategic raw materials, including metals, minerals, timber, and petroleum, but the unequal degrees to which these have been developed will limit the number and volume that may be available for export in the immediate postwar years.

2. Rapid economic reconstruction and expanded resources development could greatly enhance the export surplus of the U. S. S. R., could sustain large-scale exports of metal and metallic ores, petroleum, and timber at an average annual value of at least \$500 million, not including exports of other materials such as furs and semimanufactures.

3. It therefore appears that a financial agreement whereby the United States would extend a credit of \$5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R., but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

IS THE PROPOSED FINANCIAL AGREEMENT PRACTICAL AND DESIRABLE?

The proposed financial agreement appears practical because:

1. The prewar restricted pattern of trade should not be used to define the potentials of postwar trade between the United States and U. S. S. R. since both economies have been fundamentally restructured by the war. In both the United States and U. S. S. R. the accelerated expansion of production capacity and national output which has been achieved during the last 3 years indicates the new and larger dimensions which foreign trade can assume in both economies in the postwar period. (See attachment III for a summary of United States-U. S. S. R. trade relations during the interwar period, 1918-38.)

(a) The low level of prewar international trade relations were both a symptom and a cause of deteriorated economic and political international relations. It is realistic to assume that as compared with prewar years a decreasing proportion of expanding Soviet resources will be devoted to war industries, thereby creating an enlarged export potential through the release of resources.

3. Since the U. S. S. R. has completely state-controlled economy, the extent and character of its surpluses and deficits (i. e., imports and exports) are largely determined by planning decisions covering the allocation of manpower, materials, and equipment, it will be possible for the United States to influence the Soviet pattern of anticipated national surpluses and deficits.

4. If United States trade plans are premised on an expanded volume of trade and a correlative increase of United States import requirements, the expansion of trade between the United States and U. S. S. R. need not necessarily involve a reduction in total United States imports from other areas.

The proposed financial agreement appears desirable because:

1. The United States will obtain access to an important source of strategic raw materials which are expected to be in short supply in the United States after the war.

2. The United States will also be assured an important market for its industrial products since the U. S. S. R. represents one of the largest single sources of demand in Europe and is ideally suited to supply us with a large and varied backlog of orders for both producers' and consumers' goods. Such a sustained demand could make an important contribution to the maintenance of full employment during our transition to a peace economy.

3. Moreover, the United States will not only be assured a desirable market because of the anticipated volume of demand the U. S. S. R. will exercise, but because of its superior repayment potential compared with other foreign buyers of American products.

4. An arrangement of this character would provide a sound basis for continued collaboration between the two governments in the postwar period.

HARRY DEXTER WHITE,
WILLIAM HENRY TAYLOR.
IRVING S. FRIEDMAN.
SONIA GOLD.

Mr. MALONE. Mr. President, in that excerpt it is shown that Harry Dexter White, then a dominant figure in our Treasury Department, sent the memorandum to the Secretary of the Treasury, at the request of the Secretary of the Treasury, recommending that five to ten billion dollars be sent to Russia to buy the very materials we are discussing today, which would have meant that we would be dependent on Russia for those materials.

Now we are depending on India and other nations, a list of which I just read into the RECORD, which includes Brazil and South Africa. Many of those nations are across major oceans.

It would be absolutely impossible to secure those materials if a war started, and we would become dependent on those countries in peacetime, which means that we could be blackmailed into any agreement which the nations supplying those materials wanted to propose.

Mr. President, the 24-year program, beginning in 1934 with the 1934 Trade Agreements Act, was the program furthered by the two probably best known Communists—Mr. Harry Dexter White, who became a very influential Assistant Secretary of the Treasury, and Mr. Alger

Hiss, a very influential member of the State Department; the one who will be long remembered as leading our distinguished leaders around by the nose in San Francisco in 1945 in the organization of the United Nations, where we have only a fraction of the votes of Great Britain and Russia.

White is dead and Hiss served time for his nefarious actions, but the Congress of the United States still carries on their program.

Mr. President, all we have to do is to just sit still in 1958 and let the 1934 Trade Agreements Act—so-called reciprocal trade act—expire in June 1958 and we workingmen and small-business men are back in business.

Mr. President I have in my hand certain communications. Without taking the time of the Senate to read them, I ask unanimous consent that they may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

THE PALMER & DECKER CO.,
Reno, Nev., April 25, 1957.

HON. GEORGE W. MALONE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MALONE: I wish to take this opportunity to express my appreciation for the support you have given to maintain a domestic mining industry, in spite of heavy opposition. I had hoped to be able to see you personally when you were in Reno, Nev., this last week, but I was out of town at that time on a drilling job near Gerlach, Nev.

I would like to take a little of your time by presenting in this letter some of the facts as to how the curtailment of funds has affected just one small operator, myself, and my company.

For the past 3 years we have operated a tungsten mine near Bishop, Calif., selling the ore to Union Carbide Nuclear Co. Our mine is situated in the Sierra Nevada Mountains at an elevation of between twelve and thirteen thousand feet. Even with a short season, high milling charges and payment of royalties, we have made a small profit, which has been put back into the mine in the form of development and equipment.

At the time General Services Administration stopped accepting concentrates from Union Carbide Nuclear Co. in November of 1956, we had approximately 2,000 units of tungsten at the mill which is worth about \$60,000 at Union Carbide Nuclear Co.'s price under the stockpile program, but adjusted to the open-market price, this ore would bring hardly enough to pay for the milling charges, not including the mining and trucking costs.

Union Carbide Nuclear Co. has held these concentrates for us since November 1956, in the hope that the Congress would appropriate the additional funds to meet the obligation set down in Public Law No. 733.

In order to pay for development, labor, hauling, etc., it was necessary for me to borrow money and mortgage all of my drilling and mining equipment. It now seems that I am faced with bankruptcy, unless you and your fellow Senators are able to put some sort of appropriation through and make such funds available to buy up those concentrates that myself and other small operators were not able to sell to the General Services Administration in 1956.

Regardless of the outcome of your struggle to help the mining industry, you may rest assured that you will have our support in 1958, and my wife and I feel that the United

States needs more statesmen like yourself, and fewer politicians.

Very truly yours,

ALBERT P. DECKER.

PIOCHE, NEV., May 7, 1957.

HON. GEORGE W. MALONE.

DEAR FRIEND MOLLY: I have been going to write to you for several weeks and congratulate you on your work on the tungsten appropriations and the free gold market. However, I have everything I can see in the papers and I feel that we're fighting a losing game in the mining industry.

Tonight the Tribune announces a cut of 1½ cents in the price of zinc.

Most mines are fighting to exist and make their payrolls and many have lost.

If lead and zinc are cut many more are doomed.

Pioche is a marginal camp. Tempuete is very shaky, but may survive if money is put up for your program.

Many miners have talked to me lately and they argue that in their time, say 30 years, they have never seen any prosperity in the mining industry under a Republican President. I have argued on the point but they insist that there has been no prosperity.

This long-range program is a laughing matter. Why can't they take some advice from some good, sound mining men.

Your free gold program would help all mining and, I believe, would be a boom to the Western States.

I don't see why the Government should at any time buy foreign metals to place in our stockpile. You have studied this very thoroughly and have a good view on the subject.

However, let them pay plenty tariff to ship in their metals and maybe we can keep operating.

Thanking you very kindly, I remain,

Very truly yours,

JIM HULSE.

PIOCHE, NEV., May 7, 1957.

HON. GEORGE W. MALONE,

*United States Senator from Nevada,
Washington, D. C.*

DEAR FRIEND MOLLY: I have been going to write to you for several weeks and congratulate you on your work on the tungsten appropriations and the free gold market. However I have read everything I can see in the papers and feel that we are fighting a losing game, in the mining industry.

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However let them pay plenty tariff to ship in their metals and maybe we can keep operating.

Thanking you very kindly, I remain,

Very truly yours,

JIM HULSE.

ZINC SLUMPS TO 12 CENTS, CUT HITS UTAH PRODUCERS

(By Robert W. Bernick)

Price of zinc was cut 1½ cents a pound, East St. Louis, Mo. base, Monday. Quotation is now 12 cents a pound. The reduction was a serious blow to the underground lead-silver-zinc mines in the Western States.

And, coming as it did in one fell swoop, raised among some operators the question of political action within the industry which is demanding tariff protection from a world-trade-bent Republican administration.

"It knocks hell out of us," commented J. William Stoner, secretary of United Park City Mines Co., which reported a loss on 1956 operations as it was.

"Well, that cleans us out," was the remark of Clark L. Wilson, vice president of New Park Mining Co.

NEW PARK, CHIEF OFFICIALS LIST VIEWS

New Park, which also reported a loss in 1956 from Park City district operations, is now "just managing to squeeze by" said Mr. Wilson.

A spokesman for United States Smelting Refining & Mining Co. said he could make no statement in the absence from the city of Oscar Glaeser, vice president of western operations.

"I can tell you one thing. We don't like it," he added.

Cecil Fitch, Jr., president of the Chief Consolidated Mining Co., Eureka, said the reduction was obviously a result of the world oversupply of zinc.

"I guess Washington doesn't need a lead-zinc industry," he commented.

He estimated that the blow wouldn't be as hard on the Chief, largely "because we've already had it."

(The firm is mining only from its upper levels at present on a reduced basis. Last year, pumps were pulled because of rising costs of operations from the main ore body in the Chief No. 1.)

Mr. Fitch added "there are even some big consumers who believe we can live forever in this country on foreign produced lead and zinc—or so I was informed at the recent Zinc Institute meeting in Chicago."

Mr. Fitch figured the reduction would cost the Chief \$1,000 a month. The company has been reporting earnings losses.

UNITED PARK SEES \$100,000 ANNUAL LOSS

United Park City stands to lose about \$1.20 a ton for every ton mined at its operations—or a total of nearly \$100,000 annually. The firm produces about 7,500 tons of ore monthly.

New Park, which aims to produce around 75,000 tons during 1957, said its losses would average about \$1.50 a ton as a consequence of the cut. This would bring a reduction of \$112,500 annually in ore receipts.

Otto Herres, Salt Lake City, chairman of the National Lead and Zinc Co., said the price changes on custom smelter basis results from alltime high in imports of slab zinc and zinc ores.

It exposes the fallacies of the barter program and the inadequacies of stockpiling, both of which have served to stimulate foreign imports, he noted.

It is his view that the Federal Government cannot effectively reduce the mounting surpluses of zinc moving into the country by these devices.

"If we're going to have a domestic mining industry in the United States, we are going to have to put into effect a program (tariff or import control) which recognizes the differentials in the lower wages in foreign countries, their higher ore grade and their tax benefits," Mr. Herres said.

IS THERE POLITICAL MOTIVATION? UTAHANS ASK

Mr. Wilson said he could not "figure out why the reduction was so heavy. Ordinarily, changes in the prices in these metals amount to one-quarter or one-half cent at the most one time," he pointed out.

"Is there some political motivation behind this situation? Are the American producers going to be forced into accepting some meager program from Washington, rather than the tariff and import controls we need?" he asked.

Dow-Jones Service reported Monday the zinc price reduction came in two rapid stages. There was "an initial cut of a cent to 12½ cents a pound and a quick out of a half cent to the 12-cent quotation."

"The action follows concern by the industry over the fare of the United States Government stockpile programs. The Government's stockpile buying has been a major supporting factor in zinc's price stability for more than a year," said the financial service.

Dow-Jones contacted the Office of Defense Mobilization, where a spokesman reiterated last week's statement from ODM chief Gordon Gray that he expects purchases of lead and zinc to continue at least for a while.

PRODUCERS NOTE SAG IN GOVERNMENT BUYING

(Utah producers insisted Monday, however, that the volume of buying had declined by the Government in recent months. They also said that if ODM had been sopping up excesses as claimed, there wouldn't have been a price reduction Monday. They again pointed out that foreign-produced metal was flowing in, replacing some domestic output which went to Government stockpiles. Government buying has not overcome these surpluses, they added.)

Agricultural Department officials declined comment on the zinc price cut, other than noting that USDA is not "formally concerned" with domestic markets for metals. They said no action is likely before late this week—at the earliest—on the agency's reappraisal of its barter program.

USDA has suspended consideration of new barter offers with a view toward curtailing the program.

METALS POLICY NEARS, SEEN BLOW TO WEST

NEW YORK.—The Journal of Commerce reports the administration is completing finishing touches to its long-term minerals policies.

"However, sources familiar with the policy's formulation feel, in general, that the mining interests may be disappointed with it. This indicates, observers feel, that no large scale direct program of the Government buying of vital metals and materials will be involved," the Journal reports.

"It also is believed that, although detailed analyses of supply and demand reportedly have been worked out for a long list of vital minerals, only a 'skeleton' program will be produced. This is expected to be sent to Congress later this week. This would leave it to Congress to work out the details," says the Journal.

"To encourage domestic production, the administration is just about limited to three possible areas of action: tax benefits, price supports, or direct purchase programs and trade restrictions on the lower-priced imports. A guaranteed purchase price arrangement is considered in some quarters as more logical. However, there was no hint from the administration sources that this will be urged. The administration has such a program for wool."

(This latter type program is opposed by Western States mining people.)

The Journal of Commerce adds that the Federal Government is reported "apprehen-

sive over growing United States dependence on foreign sources of many of the 75 materials and metals on the critical list, even though domestic sources will mean high prices as lower grade deposits are tapped."

GABBS EXPLORATION CO.,
Gabbs, Nev., May 14, 1957.

HON. GEORGE W. MALONE,
United States Senator for Nevada,
Senate Office Building,
Washington, D. C.

In regard to the further appropriation for Public Law 733 to purchase tungsten, and relying upon the Government representation therein contained, we wish to state that our company stands to lose \$194,000 in concentrates already produced and an additional \$25,000 in improvements unless Congress appropriates additional funds. We will further have to lay off 15 men. It seems incredible that the Government, honoring foreign commitments costing approximately \$100 million, will not honor the promises contained in Public Law 733 for interim support. We urge your every effort to restore this appropriation.

LEE D. DOUGAN, President.

Mr. MALONE. Mr. President, the proof is overwhelming that we must become self-sufficient in the production of the critical materials in the Western Hemisphere without which we cannot fight a war or live in peace.

Senate Report 1627 of the 83d Congress and Senate Document 83 of the 84th Congress prove conclusively that can be done if the Congress fixes a policy of setting a price per unit enough higher than the world price to make the difference in labor and the general cost of doing business here and abroad.

Mr. ALLOTT. Mr. President, I should like for a few moments, if I may, to try to recapitulate the situation as I see it with respect to the \$30 million strategic mineral appropriation. We are all fully aware of the great pressures which exert themselves today to reduce the budget. On the other hand, there are certain pressures which come upon us all, as citizens of this country, and the strongest of these pressures, in my opinion, is that for the preservation of our own lives.

One of the most vital necessities for the preservation of human life in this country is not alone the building up of a great corps of scientists, or great corps of engineers, or providing the money to enable scientists and engineers to work, but, corollary to that is the necessity of providing the materials which the scientists and engineers need to carry on their work.

When the Senate passed the bill last year, it said in effect to the miners of this country—we said it absolutely on the floor and in the report—that we intended to return in January and appropriate the remaining amount necessary for the strategic-minerals program.

I am fully aware of the arguments which my good friend, the Senator from Delaware [Mr. WILLIAMS]—and he is my good friend—uses in opposition to this appropriation. Nevertheless, the fact is that the use of these strategic materials, particularly tungsten, has increased to such an extent in the past few years that the estimates made by witnesses before the committee as recently as 2 years are

absolutely obsolete. The present anticipated use of these strategic minerals in our technological development has just started to get under way.

I pointed out on the floor of the Senate a few weeks ago that one of the uses for which we need tungsten is jet engines. The United States provides a few jet engines for its fighter and bomber planes, but we have yet to see even the beginning of the development of jet engines and their use in transport and passenger planes. But more important than that is the necessity to provide protection for ourselves over a period of years. We cannot any longer put ourselves in the position of depending upon minerals from the Far East or from Communist Russia, or any other place, particularly when we know that Russia has several times the number of submarines Germany had when World War II commenced.

Many Members of the Senate, including myself, have seen ships with American supplies inside them burning and sinking off the shores of the United States. Within the past 6 months we have seen the commercial activity of the world, and particularly of Europe, slowed down by the threatened lack of oil. At the same time, this very Congress, a year ago and 2 years ago, gradually tightened the strangle hold upon the development of processes which would have brought oil shale and the production of oil from oil shale into a competitive position with crude oil. With at least 900 billion barrels of oil locked up in the shale of Colorado, Utah, and Wyoming, indeed we are foolhardy if we apply the same policies to strategic minerals that we apply to oil shale; and we nearly got caught flat 6 months ago.

In effect, we have promised the miners who have invested so much money in the tungsten industry that we will provide funds. I may say to my distinguished friend from Delaware that we should act affirmatively not merely because of that promise, but because it is simply logical and good sense not to pitch in all our chips—to use a term which I am told is used in poker—but to retain some of the power in our hands to protect ourselves, so that when we come to the time when we will need such production—and we will come to it—we in America will have the potential mineral production to meet not only the demands of our allies, but certainly the demands of ourselves, for the high-tensile strength, high-temperature resistant metals which are needed in all the scientific fields into which we are now probing.

This may be a very poor and inadequate attempt to recapitulate this matter, but it seems to me that if we are to retain and not lose the great advances and strides we have made in this area in the past few years, and if we are to protect ourselves against dangers of the future, there can be only one vote on the pending amendment, and that is in support of the appropriation.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Green	Morton
Barrett	Hayden	Mundt
Beall	Hickenlooper	Murray
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. What is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

Mr. JOHNSON of Texas. I ask that the pending amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

OFFICE OF THE SECRETARY

Acquisition of strategic materials

For an additional amount for "Acquisition of strategic materials" \$30 million.

Mr. JOHNSON of Texas. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Have the yeas and nays been ordered on the pending amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ALLOTT. Mr. President, I do not wish to labor this point with Members of the Senate, but I invite attention to the fact that in the CONGRESSIONAL RECORD for February 18 there is reported the action of the Senate upon this question. There is only one slight difference. The word "minerals" was used in the amendment at that time. The word "materials" is used in the pending amendment.

On that occasion the Senate voted on the same question, 64 yeas, 17 nays, and 15 not voting. So the question we have to determine today is the identical question, in almost the same language, that was determined on February 18.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. WILLIAMS. The House has rejected the Senate amendment.

Mr. ALLOTT. The House has not come around to viewing this question with the same enlightenment with which the Senate has viewed it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Virginia would vote "nay" and the Senator from West Virginia would vote "yea."

I further announce that if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "nay."

On this vote, the Senator from Kansas [Mr. SCHOEPEL] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 61, nays 17, as follows:

YEAS—61

Allott	Ervin	Kerr
Anderson	Frear	Knowland
Barrett	Fulbright	Kuchel
Bennett	Green	Long
Bible	Hayden	Magnuson
Butler	Hickenlooper	Malone
Carlson	Hill	Mansfield
Carroll	Holland	Martin, Iowa
Case, S. Dak.	Hruska	McClellan
Chavez	Ives	McNamara
Church	Jackson	Monroney
Clark	Javits	Morse
Dirksen	Johnson, Tex.	Morton
Dworshak	Johnston, S. C.	Mundt
Eastland	Kefauver	Murray
Ellender	Kennedy	Neuberger

O'Mahoney
Pastore
Russell
Saltonstall
Scott

Smathers
Sparkman
Stennis
Symington

Thurmond
Watkins
Wiley
Young

NAYS—17

Aiken
Beall
Bricker
Bush
Capehart
Case, N. J.

Cotton
Curtis
Douglas
Lausche
Potter
Purtell

Revercomb
Smith, Maine
Smith, N. J.
Thye
Williams

NOT VOTING—17

Bridges
Byrd
Cooper
Flanders
Goldwater
Gore

Hennings
Humphrey
Jenner
Langer
Martin, Pa.
Neely

Payne
Robertson
Schoeppel
Talmadge
Yarborough

So Mr. HAYDEN's amendment on page 10, after line 20, was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

Provided, That no part of this appropriation shall be used in any State for the purpose indicated unless such State has appropriated an amount equal to 25 percent of the sum proposed to be expended by the Federal Government in such State.

Mr. WILLIAMS. This amendment provides for State participation on all drought relief feeding programs. I ask for the yeas and nays while most of the Members of the Senate are still on the floor.

Mr. HAYDEN. Mr. President, first I should like to inquire whether the amendment is in order.

Mr. WILLIAMS. I shall withhold my request for the yeas and nays for the moment. I believe the Senator will find that the amendment is in order.

Mr. HAYDEN. Mr. President, I make the point of order that the amendment seeks to legislate on an appropriation bill.

Mr. WILLIAMS. The amendment is in the form of a proviso, and therefore I contend it is not legislation.

The PRESIDING OFFICER. The Chair understands that the amendment constitutes a limitation on an appropriation bill, and therefore is in order.

Mr. HAYDEN. The Chair states that the amendment is in order. Is that correct?

The PRESIDING OFFICER. As a limitation.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. It is my understanding that the authorization bill provides that the Federal Government shall pay the cost involved until 1959, and that thereafter the provision shall be subject to State participation. Since that provision is contained in the authorization bill, I should like to inquire why the amendment offered by the Senator from Delaware is not subject to a point of order.

Mr. WILLIAMS. My amendment applies only to the \$15 million appropriated in the pending bill. That is why it is not subject to a point of order. If the suggestion of the Senator from Massachusetts were accepted, my amendment would be subject to a point of order.

Mr. President, may we have the yeas and nays ordered on my amendment?

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I do not wish to delay the Senate, but I am confident we could make much better progress if we could have the yeas and nays ordered at this time. We are certainly entitled to a vote on the question of whether the States shall participate. This is something the administration has been urging for the past 2 or 3 years. Congress has been putting off a decision on the matter. Let us face the issue. We should have a vote on the question, and vote it up or down. Certainly we are entitled to a vote. I renew my request for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. I shall renew my request.

Mr. HAYDEN. The committee passed on this question, and I should like to give the committee's judgment on it.

The committee has concluded that there was no legislative intent under Public Law 875, or Public Law 115, as amended, which are the respective authorities used to designate a disaster area, or to provide emergency Federal assistance thereunder, which requires a commitment for State participation of a fixed percentage of program costs. It is the opinion of the committee that such a requirement would establish an unsound precedent by the Government in rendering Federal assistance to areas affected by natural disasters.

Mr. WILLIAMS. Mr. President, I again renew my request for the yeas and nays, and I certainly hope the Senators will extend to me an opportunity to have a vote on this amendment based upon its merits. I emphasize that I am not going to sit back and be brushed off. I again make my request for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. I call the attention of the Senate to page 22 of the standing rules of the Senate, rule XVI, paragraph 2, as follows:

The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill—

I call particular attention to this language:

And if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

I call the attention of the Chair and of the Senate to the fact that on page 3 of the bill before the Senate the language of the bill is unquestionably legislation. That is the language dealing with the question of Agricultural Conservation Program Service, Emergency Conservation Measures.

Again, on page 4 of the bill is the provision for the emergency range conservation, which appropriates \$25 million, "to be derived from funds available for purposes of the Soil Bank Act under section 120." This is the proviso which implements the legislation passed by Congress as recently as April 25, 1957. I think this item constitutes legislation in that it goes beyond the date of June 30.

Also, on page 9, beginning with line 10 and continuing through line 20, is another proviso authorizing appropriations for \$14 million. Again, this language is obviously legislation on an appropriation bill.

On page 19, beginning with line 18 and extending through line 5, page 22, is another committee amendment which obviously is legislation on an appropriation bill.

Mr. President, I make the point of order under rule XVI, paragraph 2, that the bill contains language which is legislation and is therefore subject to a point of order. I make the point of order against the bill.

Mr. HAYDEN. Mr. President, with respect to the first item upon which the Senator from Delaware makes the point of order, I will offer a substitute, as follows:

For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters, in accordance with existing law, \$15 million.

That language certainly is in order. The Senator from Delaware made the point of order against the whole paragraph.

Mr. WILLIAMS. No; I pointed out that in the bill's language constituting legislation. I referred to language on certain pages of the bill as constituting legislation, and I am making my point of order not against any part of that particular amendment, and I am not making it against the amendment. I am making the point of order against the bill under rule XVI, paragraph 2, on the basis that the bill contains legislation.

Mr. HAYDEN. What would the Senator have us do—send the bill back to the committee?

Mr. WILLIAMS. Yes, that will be the result. The bill will go back to the committee to have that language stricken out if the point of order is sustained.

But if I could get a yea and nay vote on my amendment I would be willing to have the measure considered on its merits.

I am perfectly willing to discuss the bill on its merits, but I am not willing to have a bill steamrollered through on the basis that the Senate refuses to answer a roll call.

We are hearing a lot of talk about economy. Let us show the American people by our vote just who is for economy. The bill already provides \$30 million more than the amount recommended by the House under the tungsten amendment just agree to.

The bill also provides, on page 4, \$25 million to carry out the provisions of the new grazing bill, which many Senators feel was never justified in the first place.

The bill also provides \$15 million for additional disaster relief. Therefore I want a decision on my amendment requiring the States to put up at least 25 percent of the relief funds provided for in the bill.

If the Senate is not willing to answer "yea" or "nay" on the question of whether the States shall put up 25 percent, I shall insist on my point of order that the bill be recommitted to the committee.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. Is it not true that what the Senator is saying, in effect, is that he is perfectly willing to withdraw his point of order if a yea-and-nay vote can be had on the item on page 4?

Mr. WILLIAMS. Yes, I want a record vote on the issue of whether the States should participate in the cost of these relief feeding programs. I am not insisting that the Senate agree with me, but I do feel that we can answer to a yea-and-nay vote and decide the question.

Mr. BUSH. Since the Senator from Delaware has yielded to me, I desire, with his cooperation, to ask once more for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I appreciate the enthusiastic cooperation of the Senate and since a yea-and-nay vote is now ordered I withdraw my point of order.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the amendment offered by the senior Senator from Delaware [Mr. WILLIAMS], on which the yeas and nays have been ordered.

Mr. WILLIAMS. Mr. President, I wonder if the absence of a quorum could not be suggested. I am willing to vote now. The issue is very clear. The pending amendment provides that the States shall put up 25 percent of the cost of the relief program. There is not a single State in the Union which is not in better financial condition than is the Federal Government.

I will vote to provide Federal assistance to States in the disaster areas, but if those States are not willing to contribute 25 percent of the cost they do not need the relief.

This proposal of required State participation has been recommended by the President, the Secretary of Agriculture, and others having charge of the program on the basis that, if adopted, it will

not only result in the States paying 25 percent of the cost, but also result in limiting the requests for relief to States actually needing it.

Many glaring examples have been called to the attention of members of the committee and other Senators that the disaster relief program is being misused. As long as there is not some form of local participation and local responsibility there will be a misuse of the program. I think if there could be some local interest and responsibility it would be of benefit to those who are receiving aid, as well as to those who are disbursing it. This can only be done by getting State participation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. YOUNG. If the Senator's proposal were to apply to this particular appropriation item, how could the States handle it? The legislatures in all the States are not now in session. The money is needed now; in fact, it is overdue. To attach this rider to the appropriation would mean that most of the people needing the funds badly would not be able to get them.

Mr. WILLIAMS. Mr. President, I recognize the point the Senator from North Dakota [Mr. Young] has made, and it would have meant more were it not for the fact that the same argument has been made at least five times before on the floor.

I have offered the same amendment on several occasions and always with the understanding that it would not be applicable until the first day of January following the election period, which would mean that every State legislature would have been in session. It was rejected just the same.

I offered the amendment in the Senate on approximately January 15 of this year. At that time, every one of the 48 State legislatures was in session. But the Senate said, in effect, "We do not want to act on it at this time; we will act on it later in the session."

Mr. President, let us not deceive ourselves about this matter. Senators either favor this principle of State participation or they are opposed to it. If any State does not need this assistance sufficiently to be willing to call its legislature into session in order to have the enabling State legislation passed, then such a State does not need the proposed assistance very much.

This year the President has called for State participation; and the Governors' Conference went on record in favor of participation, and the governors were perfectly willing to have their States pay 25 percent of the relief needed by their States.

So I do not think the argument against the amendment is a valid one.

Mr. SALTONSTALL. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Delaware yield to the Senator from Massachusetts?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. Will the Senator from Delaware accept to his amendment an amendment stating that it shall apply after January 15 or February 1, 1958?

If such an amendment to the amendment should be included, then it seems to me the amendment as thus amended should be given very careful consideration by the Senate; and, personally, I would vote it.

However, as the amendment now reads it would be difficult of application. Other Senators have stated that if the money is needed, it is needed now.

If the amendment I have suggested to the amendment of the Senator from Delaware were agreed to, then I believe a valid precedent would be established for the future.

Mr. WILLIAMS. Mr. President, if the chairman of the Appropriations Committee will accept the amendment—

Mr. HOLLAND. Mr. President, I object.

Mr. HAYDEN. Mr. President, first I should like to have the amendment read. I do not think the Senate knows exactly what the pending proposal is.

Mr. HOLLAND. Mr. President, I object to any amendment to the pending amendment, inasmuch as I understand that the yeas and nays have been ordered on the question of agreeing to the amendment, and therefore the amendment is not subject to amendment at this time, except by unanimous consent.

I also object because this is a very clear instance of the kind of foolishness inserted in appropriation bills when legislative riders are attached on the floor of the Senate, without study and without very much knowledge of what is contained in such riders.

I thoroughly object to such a process, and there could not be a better illustration of it than the present instance.

Mr. WILLIAMS. Mr. President, I agree with the Senator from Florida in principle; and what he has said almost tempts me to ask the Senate to commit to the committee this bill which his own committee reported inasmuch as it is absolutely full of legislation which has never been properly considered by the Senate.

However, Mr. President, the pending amendment is merely a restrictive provision in the case of the \$15 million, and it is in order.

Mr. President, it is perfectly in order for the Senate to vote whether it desires to have some form of State participation. If we do not, then let us tell the States to come forward and get their share of the gravy boat as long as it is full.

I hope my amendment will be adopted.

Mr. HAYDEN. Mr. President, again I ask that the pending amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

Provided, That no part of this appropriation shall be used in any State for the purpose indicated, unless such State has ap-

propriated an amount equal to 25 percent of the sum proposed to be expended by the Federal Government in such State.

Mr. HAYDEN. Mr. President, when this matter was pending before the committee, it was carefully considered; and the following is the recommendation of the committee:

The committee has concluded that there was no legislative intent under Public Law 875 or Public Law 115, as amended, which are the respective authorities used to designate a disaster area, or to provide emergency Federal assistance thereunder, which requires a commitment for State participation of a fixed percentage of program costs. It is the opinion of the committee that such a requirement would be an unsound precedent by the Government in rendering Federal assistance to areas affected by national disasters.

For that reason, the committee is opposed to this amendment.

Mr. HOLLAND. Mr. President, this subject matter has been subjected to long study at this session by a subcommittee of the Senate Committee on Agriculture and Forestry, of which, at the time, the Senator from Florida was serving as chairman. The Senator from North Dakota [Mr. YOUNG] was a member of the subcommittee. I believe that the Senator from Minnesota [Mr. THYE] also was a member—although I am not positive as to that. In addition, two other Senators on this side of the aisle were members.

The occasion of our study was an attempt by us to work out for the drought areas a deferred grazing bill which would tend to solve that part of the problem, and at the same time we wanted to have in the law a sound provision relative to the feed program in the drought areas. We studied the matter for a long time; and we had it worked out, for instance, so that the giving of assistance, by way of providing feed at reduced prices, would be based wholly on need—a basis which is highly desirable.

We also went into the subject matter of participation by the States. The distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], advised us that the present Governor of the State of Texas, formerly Senator Daniel, and the previous Governor, Governor Shivers, both had given the consent of the State of Texas for the inclusion of a 25-percent factor of participation in the case of that State. The governors of some of the other States had likewise given such consent. The governors of some of the other States had refused to give it. Some had called attention to the fact that they would not have sessions of their legislatures for some time in the future.

I recall distinctly that the distinguished Senator from North Dakota was not in accord with the percentage which was used. I believe he suggested 10 percent or 15 percent. He is now on the floor, and must speak for himself.

Mr. YOUNG. That is correct.

Mr. HOLLAND. But finally we found ourselves in relative accord on that section of the deferred grazing bill.

Then there arose the question of what we could hope to have by way of cooperation with the House of Representatives; and I was instructed to confer

with the House Members on that very point. We found that the House was willing to go along with us on the other parts of the program, but that in the case of that section—I believe it was section 5, which dealt with the feed program—the House had already agreed with large groups of producers who were interested in the matter, producers both in the drought States and those who were raising poultry and those who had dairy farms, and the like, that the House would conduct hearings at which every point of view would be given an opportunity to be heard; and the Members of the House made it very clear that they would not accept legislation on this point until they could hold the hearings, because they felt that their good faith was involved in view of the promise by them.

Senators who were members of the full Committee on Agriculture and Forestry will recall that the members of the subcommittee reported that situation to them. So, Mr. President, the section on this particular subject was deleted. It was deleted, first, because there is no prospect of agreement by the House of Representatives until the House committee has held its hearings; and it was deleted, in the second instance, because there had not been full accord in the subcommittee, much less in the full committee, regarding the percentage of contribution to be required of the several States.

Mr. President, therefore it is so much idle gesture to waste time on the pending amendment, during the debate on the appropriation bill, when the amendment is suggested as a rider.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. Do I correctly understand that the pending amendment is the language which was worked out by the conference committee? I was a member of the conference committee, but I do not recall whether this is the exact language which was worked out then.

Mr. HOLLAND. I was not a member of the conference committee. I am speaking now of the work of the subcommittee of the Senate Committee on Agriculture and Forestry, later followed by debate and discussion in the full Committee on Agriculture and Forestry, when we were trying to work out a measure of this sort. I think we would have worked it out, and I think it would have been a much more carefully drawn proposal than the ending amendment, because it would have given some protection to States which do not have funds on hand now. It would have given them a chance to have action taken at the next session of their legislature, whether regular or special, and would have included other safeguards which cannot be included in a hastily, longhand-written amendment offered by way of a rider proposal to an appropriation bill.

Mr. President, so far as I am concerned, I am one of those who was committed to the idea of State contribution, and worked hard to get such a provision into that particular bill. But when we

were faced by the fact of life that the House would not accept any provision on that subject until further hearings had been held, and the further fact that our own committee was divided on certain aspects of the matter, we deleted that provision from the bill.

It is my judgment that the provision we deleted was a vastly better one, more considerate of the States and the growers, than this hastily drawn, longhand-written provision, which ignores most of the questions of detail which would arise in conjunction with the proposal.

So, Mr. President, I think the amendment should be rejected, and made the subject of proper research, hearings, and study by the legislative committee. Particularly in view of the fact that the House is committed to holding public hearings on this subject before it will take action, I think the Senate, recognizing that, should waste little time in rejecting the proposal.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. It is my understanding that, in answer to the question I asked the Senator from Florida, from information given me by the chairman of the Appropriations Committee, this is language worked out in the conference between the House and the Senate, with the exception of the amount, which is \$15 million instead of \$25 million in the budget estimate. So this is language which was agreed upon in the deficiency bill, which went to conference prior to the Easter recess.

Mr. HOLLAND. The Senator is exactly correct. I thought he was speaking to the amendment offered by the distinguished Senator from Delaware. That language is unlike any other proposal which the Senator from Florida has ever seen. The language which was put into this bill by our Appropriations Committee does utilize completely the language agreed upon between the House and the Senate at the time of the long debates in conference some time ago on the urgent deficiency bill.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished Senator from Colorado.

Mr. CARROLL. I commend the Senator for a very fine speech. There are 20 Senators who are interested in the matter. There are 10 drought States involved. If the precedent is established, we will be denied the right to present evidence, have our governors come before the committee, and have our people represented.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may yield to the Senator from Delaware for the purpose of asking a question.

Mr. WILLIAMS. The Senator from Colorado has stated he would like to have opinions from the governors presented before he is ready to vote on this question. The governors have already gone on record as recommending that there be some kind of State participa-

tion. They have pointed out that some of the abuses will be embarrassing not only to the States but to the program itself if there is not some form of local control. We hear a great deal from certain areas of our country about States rights. They are always complaining about the Federal Government's infringing on the rights of the States. I most respectfully suggest to those who join with me in supporting the principle of States rights that we recognize that those rights carry certain responsibilities.

As long as States insist upon the Federal Government underwriting all their responsibilities they can expect Federal controls.

Mr. HOLLAND. I might say I would not claim to exceed the distinguished Senator from Delaware in advocacy of anything, but I would certainly equal him in my approval of the doctrine of States rights. It happens that my own State is not involved in the drought. We have been happy not to have had a serious drought. It has been my feeling that the matter is serious enough, first, that we should give consideration to the people affected, by hearing those who are affected, and, second, that we should give consideration to the hearings and findings of the committees. The Appropriations Committee is the largest committee the Senate has. The Senate Committee on Agriculture and Forestry is a 15-member committee. It has had the experience of trying to frame proper wording and to bring about a proper handling of the matter, and it abandoned the method suggested when it learned that the House was definitely committed on assurances given to important industries and various States that it would not agree to any action in this field until it has held public hearings.

If we are not going to pay attention to the Appropriations Committee and to the Agriculture and Forestry Committee of the Senate, and to similar committees of the House, whose position on this matter has already been stated, and if we are going to permit a hastily drawn, carelessly drawn, longhand-written amendment on this important subject to be written as a rider onto an appropriation bill before the Senate, at least I, as one Senator, will not vote for it. The Senator from Florida will retain his good humor, but he cannot conceive of that being orderly procedure in any sense of the word. The Senator from Florida will not vote for it, and hopes the amendment will be rejected.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished Senator from Minnesota.

Mr. THYE. No State can have emergency relief extended to it other than through certification of the governor that there is an emergency and that a disaster exists. Only then will the Department of Agriculture, and also the national administration, give consideration to an application for assistance through a disaster loan.

Mr. HOLLAND. The Senator is correct.

Mr. THYE. There is merit in the amendment which has been offered by the Senator from Delaware. I think all of us who have served on the committee recognize that. Therefore, the proper procedure now is to proceed through proper legislative committee hearings and determine when participation on the part of the States will commence.

If the amendment were to be adopted at this time I think it would work a serious hardship on many of the States which today are receiving Federal assistance. That is one reason why, I say to the distinguished Senator from Delaware, I shall vote against the amendment offered by him.

Mr. HOLLAND. I thank the distinguished Senator from Minnesota. I may say, because I find myself so frequently in accord with the distinguished Senator from Delaware I was one of the Senators—and I am still one—on the Senate Committee on Agriculture and Forestry who feels that the particular form of disaster with which we are now dealing is perhaps different from one that is sudden and hits an area or a State or a great region almost overnight, such as a hurricane, a terrific flood, a great fire, or an earthquake. I would never agree that in such cases the State should be required to convene its legislature and put up some money, when it was the hardest hit of any part of the United States. But when there is a long-continued drought, and when the program requires joint handling and joint participation of both Federal and State authorities to prevent abuse, I am of the opinion that contribution by the State is on a different basis.

I have taken that position in the subcommittee and in the full committee. I see the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], present. He will recall that that has been my position. But that is a far cry from saying I am willing to see a rider, carelessly drawn, without hearings, attached to an appropriation bill to cover a subject matter so difficult of handling as we have already shown this to be.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ELLENDER. As I recall, the provision requiring assistance to be matched by the States was deleted.

Mr. HOLLAND. I think just before the Senator from Louisiana reached the floor I had related that the subcommittee—

Mr. ELLENDER. I was present. I heard the Senator.

Is it not a fact that, as to all relief measures, under the present law the Secretary has the right to fix a percentage of his own choosing with respect to mandatory local participation, and there is no limitation?

Mr. HOLLAND. The Secretary of Agriculture has the right to fix a percentage of participation in agricultural relief measures.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. I do not believe such a provision exists with reference to certain kinds of disasters. Whether that

is so or not, I am not certain. I have not reviewed the act lately.

Mr. ELLENDER. My recollection is that as to any kind of disaster relief, such as the furnishing of seed and feed, the Secretary of Agriculture has the right to request or to require the States to put up a percentage, such as 25 percent, 30 percent, or even higher, if he sees fit, as a condition of Federal aid.

Mr. HOLLAND. All forms of relief, where an agricultural subject matter of this kind is involved, and where the Federal official handling the program is the Secretary of Agriculture, are subject to the provision that the Senator from Louisiana has stated.

Mr. ELLENDER. As I recall, the Senator from Delaware—and I should like to have his attention—did not seek to impose his amendment upon, or try to present the so-called 25 percent amendment, to the bill, after we deleted that part of it which provided for direct relief. Am I correct in making that statement?

Mr. WILLIAMS. I supported a 25 percent State participation on several occasions, and I have also offered such an amendment several times here on the floor.

The Senator from Florida [Mr. HOLLAND] has made the statement that he would not go along with State participation as a requirement in some sudden emergency but that he would go along with State participation in a long-range emergency seed and feed assistance program.

I point out to the Senators that the amendment, which I have presented and which is now pending, accomplishes exactly that result with which the Senator from Florida states that he is in accord.

It deals only with the type of program which the Senator from Florida says he is in complete agreement should require State participation.

In other words, as I understand the Senator from Florida [Mr. HOLLAND] and the Senator from Louisiana [Mr. ELLENDER], they are both for my amendment, except they do not want to vote for it.

Mr. ELLENDER. Mr. President, the Senator is incorrect in that statement.

Mr. HOLLAND. Perhaps it would be more accurate for me to state the attitude of the Senator from Florida in this way: He thinks there is some merit to the idea of States contributing, but he would like the States to have something to say about what the form and amount of the contribution is to be.

Mr. WILLIAMS. The States have already said that it should be 25 percent and are willing to participate in the cost.

Mr. HOLLAND. The Senator from Florida would like to have the industry which is directly affected by it afforded some chance to be heard. He would like to have the industries which are secondarily affected, such as the poultry and dairy industries, afforded a chance to be heard.

He would like to have the opinion of the Committee on Appropriations and its labors recognized, and the opinion of the Committee on Agriculture and Forestry and its labors recognized, and the opinion of the very sincere Members of

Congress on the other side of the Capitol shown consideration.

He would like to get away from this shadow boxing, because he knows, and the Senator from Delaware knows, that that is all this is.

If we put anything into this bill with regard to this subject matter—and I do not believe there will be more than a half dozen Senators who will wish to do so—we will be merely slowing down the legislative process because we know already what the attitude of the other body is at this time. When we are handling measures of such great importance, which are urgently necessary, why should we impose a handicap to speedy appropriations, and by so doing delay our consideration of other matters which deal with the long-range problems of the Nation?

Mr. WILLIAMS and Mr. DOUGLAS addressed the Chair.

Mr. HOLLAND. I yield to the Senator from Delaware.

Mr. WILLIAMS. The Senator has talked about the various segments of the industry which should be heard. The Senator mentioned the poultry industry and the dairy industry.

The poultry industry and the dairy industry are not the least bit affected by the proposed amendment, either as it was before the committee or as presented here, except as the program is misused in financing competition. The drought relief is not for the poultry industry. Neither are the dairy people affected as such. This drought relief only provides for keeping the herd flocks of feeder cattle or dairy cattle intact during the emergency.

The Senator from Florida says that we should not engage in shadow boxing. I agree with him and assure him that I am sincere in offering this amendment.

On his suggestion that we should adopt on this side of the Capitol only those proposals which meet with the approval of the House and its committees, I may say that is in direct contradiction of the preceding vote, which I think the Senator supported. The House has three times turned down the proposal with regard to tungsten.

Mr. HOLLAND. In brief reply to my distinguished friend, I may say that in the first instance the dairy producers and the poultry producers are tremendously interested in this matter. They have asked for the right to be heard.

They are afraid if grain is sold in large quantities and at part value in other parts of the Nation, the supply will be more sparse where they have to pay for it, and the price will go up. They have asked for hearings before our committee and have asked for hearings before the House committees.

Though generally I respect the attitude of the distinguished Senator from Delaware when it comes to voicing the opinion of poultry producers, I know from the direct approaches that our committee received from the poultry people that they feel the are definitely concerned in this matter. With reference to the tungsten item, I should like to say, very briefly, the difference between that proposal and this one is that

the Senator from Delaware is trying to do something in spite of what the committees which were affected have done. The Senate Committee on Agriculture and Forestry and the Senate Committee on Appropriations, and the House of Representatives have considered this matter. In the tungsten case, we were simply trying to honor and respect a commitment made by an act passed by this body and by the House, and signed by the President last year. Surely there is considerable difference between those two matters.

I do not care to debate further with the distinguished Senator on the details, but he certainly must admit that by adopting the proposed amendment the Senate would be ignoring what the Committee on Appropriations, with its 23 members, has done, and would be ignoring what the Committee on Agriculture and Forestry, with its 15 members, of whom one is the distinguished Senator from Delaware, has done.

Mr. WILLIAMS. Mr. President, will the Senator yield at that point?

Mr. HOLLAND. And the Senate would be ignoring the commitment made by the other body, that there will be public hearings permitted in this field before the House will approve such legislation.

Mr. ELLENDER. Mr. President, will the Senator yield so that I may ask a question of the Senator from Delaware?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. ELLENDER. I wonder if the Senator from Delaware can point to any law wherein the Secretary of Agriculture is permitted to furnish relief, either by way of seed or feed assistance, or any other form of relief, in connection with which he does not have the authority to state a fixed contribution of 10 percent, 25 percent, or even a higher percentage, as he sees fit?

Mr. WILLIAMS. The Senator is correct. The Secretary has that authority under the law, and has stated he wants to use it if Congress will support him.

Mr. ELLENDER. Exactly.

Mr. WILLIAMS. That is correct.

Mr. ELLENDER. If the Secretary is in favor of 25 percent, I ask, Why does the Secretary not fix the amount at 25 percent, since he has the authority to do so?

Mr. WILLIAMS. Frankly, I join in asking the same question, and each time I have been told that the reason that he has not demanded State participation is that Congress refuses to support him. Here today is an opportunity for us to show him our support. All that we have to do is vote for the amendment pending. He does have the authority, however.

Mr. ELLENDER. That is my position, as the Senator knows.

Mr. WILLIAMS. If the Senator will yield, I will complete my statement.

The Secretary has taken the position that he feels, first, that while he does have the authority, such authority was granted first with the definite understanding that it would not be implemented at that time. The Secretary has requested before our committee, in his

testimony—and I was there, and so was the Senator from Louisiana—an expression of our endorsement of State participation. He said that he felt that he should have an expression in support of that principle on the floor of the Senate and on the floor of the House, and that then he would be glad to implement it immediately.

The Secretary if we reject this amendment here today is being told by the Senate that we do not intend for him to require any State participation. This is our decision.

Mr. ELLENDER. The Senator concedes that we have given the Secretary of Agriculture the right to fix the percentages. I ask him, why does the Secretary not fix such percentages? He has the authority to do it now.

As I pointed out a while ago in a discussion with the distinguished Senator from Florida, in any case where relief of any kind is contributed by the Department of Agriculture, the Secretary of Agriculture has the right and the power to fix the contribution to be made by the States.

Mr. WILLIAMS. There is no question about his having the right, but the reason he has not fixed a required percentage is because too many Senators and Congressmen tell him not to do so. Here today several Senators have expressed support of the principle of the amendment—but—they do not want to vote for it. The committee reported one bill to the Senate, in which bill the committee approved the principle of requiring a minimum contribution by States, but the Senate rejected the amendment.

Mr. ELLENDER. It was 15 percent, as I remember, and not 25 percent.

Mr. WILLIAMS. It was 15 percent. The Senator is correct.

Mr. ELLENDER. Fifteen percent.

Mr. WILLIAMS. But we did adopt the principle. We have had hearings on the question. We voted on it in the committee. As I said before, when I was engaged in colloquy with the Senator from Florida [Mr. HOLLAND], practically everybody is for this proposal but does not want to vote to support it.

Mr. ELLENDER. Except that the Secretary of Agriculture has the power to require a contribution.

Mr. WILLIAMS. Then let us indicate here our support, which can be done by voting for the amendment.

Mr. ELLENDER. It strikes me that if the President is for the 25 percent participation and if the Secretary of Agriculture is for the 25 percent participation, and the Secretary of Agriculture has the power to fix a participation percentage, then he ought to exercise that power.

I say to the Senator from Delaware that I am opposed to fixing a hard and fast percentage in the law because doing so fails to take into consideration the varying abilities of disaster-stricken communities or areas or States to contribute the required percentage. Some States suffering from drought might not be able to pay a full 25 percent; others could. I fear that the Senator from Delaware is of the opinion that he is the only statesman in the Senate.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. PASTORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	Monroney
Anderson	Green	Morse
Barrett	Hayden	Morton
Beall	Hickenlooper	Mundt
Bennett	Hill	Murray
Bible	Holland	Neuberger
Bricker	Hruska	O'Mahoney
Bush	Humphrey	Pastore
Butler	Ives	Potter
Capehart	Jackson	Purtell
Carlson	Javits	Revercomb
Carroll	Johnson, Tex.	Russell
Case, N. J.	Johnston, S. C.	Saltonstall
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smith, Maine
Church	Kerr	Smith, N. J.
Clark	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	McClellan	Young
Frear	McNamara	

The PRESIDING OFFICER (Mr. MORTON in the chair.) A quorum is present.

Mr. JOHNSON of Texas. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. JOHNSON of Texas. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

Provided, That no part of this appropriation shall be used in any State for the purpose indicated unless such State has appropriated an amount equal to 25 percent of the sum proposed to be expended by the Federal Government in such State.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. I understand that, under the amendment, none of the money would be available to a State unless it had already appropriated 25 percent of the sum requested. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

On this amendment the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNING], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from

Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

I further announce that on this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from West Virginia would vote "nay."

I also announce that the Senator from Missouri [Mr. HENNING], and the Senator from Texas [Mr. YARBOROUGH], if present and voting, would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPP] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is detained on official business.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Maine would vote "nay."

Also on this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Kansas [Mr. SCHOEPP]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 27, nays 50, as follows:

YEAS—27

Beall	Douglas	Morton
Bennett	Dworshak	Potter
Bricker	Frear	Purtell
Bush	Hickenlooper	Revercomb
Butler	Hruska	Smith, Maine
Capehart	Knowland	Smith, N. J.
Cotton	Kuchel	Thurmond
Curtis	Lausche	Watkins
Dirksen	Martin, Iowa	Williams

NAYS—50

Allott	Hill	Monroney
Anderson	Holland	Morse
Barrett	Humphrey	Mundt
Bible	Ives	Murray
Carlson	Jackson	Neuberger
Carroll	Javits	O'Mahoney
Case, N. J.	Johnson, Tex.	Pastore
Case, S. Dak.	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Church	Kennedy	Scott
Clark	Kerr	Sparkman
Eastland	Long	Stennis
Ellender	Magnuson	Symington
Ervin	Malone	Thye
Fulbright	Mansfield	Wiley
Green	McClellan	Young
Hayden	McNamara	

NOT VOTING—18

Alken	Gore	Payne
Bridges	Henning	Robertson
Byrd	Jenner	Schoepp
Cooper	Langer	Smathers
Flanders	Martin, Pa.	Talmadge
Goldwater	Neely	Yarborough

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. MORRISON in the chair). The question is on agreeing to the motion of the Senator from Montana to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 358. An act to authorize the conveyance to the State of Wyoming of about 37¾ acres of land comprising a part of Francis E. Warren Air Force Base; and

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PRESTON, Mr. THOMAS, Mr. ROONEY, Mr. YATES, Mr. SHELLEY, Mr. FLOOD, Mr. CANNON, Mr. CLEVENGER, Mr. BOW, Mr. HORAN, Mr. LAIRD, and Mr. TABER were appointed managers on the part of the House at the conference.

OKLAHOMA'S WORST FLOOD

Mr. KERR. Mr. President, I am glad the Senate has just rejected an amendment which would have impaired the ability of the Federal Government to meet a part of its responsibility in connection with disasters suffered by our people.

I have just returned from Oklahoma, where I spent a good part of the last 3 days in flying over those areas of Oklahoma which are suffering disaster from floods.

In Sunday's Washington Star, on the front page, was a glaring headline: "Thousands in Oklahoma Flee State's Worst Flood, Wide Area From Tulsa Southward Menaced; Eight Dead, Damage in Millions."

Mr. President, this article is at best a brief summary, telling of only a part of the devastation and disaster which since last Thursday has hit my State of Oklahoma and which is continuing its devastation and destruction. Dover, Coyle, and Perkins, Okla., along with many other communities, were completely inundated. In one area, 20 inches of rain fell in 6 hours. The State administrator of civil defense has estimated \$25 million damage in the State of Okla-

homa, including \$5.6 million to highways and bridges. Before the final chapter is written, the damages will continue to mount.

I want to express publicly my deep appreciation of the vigilance of the American Red Cross and the Civil Defense Administration in hurrying to the scene of this disaster and administering aid to those in trouble. I want to pay tribute to the thousands of Oklahoma men, women, and children who worked day and night watching and reinforcing levees and otherwise combating angry floodwaters.

The story in the Washington newspapers told of the flood coming out of the Cimarron River and converging with the Arkansas River upstream from Tulsa, and estimated that this would be the highest stage flood experienced on the Arkansas River. This was avoided only by the heroic efforts of thousands of people and by an act of Providence. Miles of levees heretofore built kept the floodwaters confined, making a millrace that speeded up the flow of water. This resulted in dredging out 5 feet or more of sediment in the river, thus deepening the channel until the flood crest was several feet below what had been estimated.

This morning an article in the Washington Post and Times Herald reported that 2,300 people were forced from their homes at Bixby, 20 miles from Tulsa. The damage in Tulsa and Bixby, and from there on down the Arkansas River will total many millions of dollars. Mr. President, what happened is bad, indeed, but the tragedy is that had the Keystone Reservoir, which was authorized by Congress in 1946, been constructed and in operation, there would have been no flood at Tulsa, at Bixby, or beyond. This fact was confirmed only Saturday by the Chief of Engineers, Maj. Gen. E. C. Itschner.

A Federal levee project at Tulsa was 100 percent effective, preventing millions of dollars in damages.

After years of fierce opposition and delay, this year the Bureau of the Budget made a request for funds to initiate the major construction of the Keystone Dam project. The funds which will be allowed for this project are small compared to the damage that will be caused by the current flood.

Mr. President, the Cimarron and Arkansas Rivers are not the only rivers causing devastation at this very moment. If the six authorized projects on the Verdigris River and its tributaries had been in operation, they would have prevented further millions of dollars worth of damage. Among these projects is the Oologah Reservoir.

On the Chikaskia River is located one of our very finest Oklahoma communities—Blackwell. The report in the Sunday Star indicates that 23 square blocks were flooded in this town. Had the Caldwell and Corbin Reservoirs been constructed, there would have been no flood at Blackwell. In the President's budget are funds for making a survey of these two reservoirs—mighty little, mighty late.

In the southern part of Oklahoma, the fine city of Waurika is again having to dig out from under high-flood flows. More than 50 families were forced to leave their homes for the third time in a month, as Cow and Beaver Creeks converged on this town with their devastating floodwaters. Again, Mr. President, the President's budget contains funds for a survey report of the Waurika Reservoir on Beaver Creek. Had this reservoir been constructed, there would have been no flood at Waurika.

Reports that I have received this morning indicate that many major highways in Oklahoma are blocked by floodwaters and washed-out bridges. Rail service is impaired. Many towns are depending upon water that has to be hauled in trucks, because their water supplies have been destroyed or contaminated by this great disaster. Gas lines which furnish heat for domestic and industrial use throughout the State are impaired or endangered. Enid, Okla., is digging out from floods that would have been controlled by the proposed Enid Floodway.

Hundreds of farm families in the dozens of flooded valleys are moving livestock to higher ground and are evacuating their homes because of the disastrous floods. One such is the valley of the Washita. One of its tributaries is Rock Creek. Again, in the President's budget there is a request for funds to finish a survey recently started on this project.

This afternoon Oklahomans will appear before the Appropriations Committee of the House of Representatives, seeking construction funds for the Foss and Cobb Creek Reservoirs on the Washita. Had these projects been constructed, the floods on the Washita could have been controlled or drastically reduced.

Mr. President, this is a small part of the awful story of neglect of conserving the soil and water resources and controlling the floods in my State. The irony of it is that up until this spring, for 5 long years, Oklahoma has suffered drought even more devastating than the floods now are. Farmers and townspeople alike have been forced to ration water because of its scarcity. Yet, at this very moment, millions of acre-feet of this precious resource is devastating our lands and towns and flowing onward to damage other States without any possible opportunity of beneficial use in times of need. What is true in Oklahoma is true throughout the Nation. Each year vast areas of our country suffer drought or flood disaster or both.

We have been appalled at the disasters which have occurred in our neighboring State of Texas to the south, and in parts of Arkansas and Louisiana to the east and southeast. From Texas to New England; from the everglades of Florida to the great Pacific Northwest; in the valleys of Pennsylvania, West Virginia, and Kentucky; from the great Southeast to the valleys of the San Joaquin and the Sacramento; the story is the same.

Right here in the District of Columbia a lack of conservation and pollution control of the waters of the Potomac bedevils our minds and insults our nostrils.

Yet every time an appropriation or an authorization bill comes up, there are those who fiercely oppose and cry "pork barrel."

Mr. President, I know of no more adequate answer to that than the following telegram which I received this morning:

TULSA, OKLA., May 18, 1957.

Senator ROBERT S. KERR,
Senate Office Building,
Washington, D. C.:

My 7-year-old son went to bed in tears tonight because the Keystone Dam will not be finished by Sunday to keep his school from being flooded. Hurry up.

BETTY W. STRONG.

Mr. President, a few weeks ago the Chief of Army engineers was in Oklahoma, where he made a speech in regard to conservation of soil and water. In the speech he made to significant statements, which I should like to quote. The first is as follows:

The droughts of the past few years, which have so seriously affected large portions of the Arkansas basin, as well as similar periods of deficient rainfall throughout much of the Nation, have focused attention on the importance of conserving our precious supply of water for tomorrow's infinitely greater requirements for domestic use, irrigation, and industry.

A little later in the speech he made this most significant statement:

Last month I flew over a part of far-off Iran, which formerly was known as Persia, south of the capital city, Teheran. Centuries ago a Persian poet walked some 200 miles across that land, and he described how not once did he step from beneath the shade of trees which grew along the irrigation ditches. He told about flowers and fields full of grain and melons. As I passed overhead, I searched, but could see only one shadow, that of the plane, on the hard desert floor. Two hours later we came to the green fields and orchards surrounding Baghdad, on the Tigris River. Having seen how badly water was needed and lacking in the region, I expected to find the Tigris little but a dried stream bed. Instead, there below us was a large river. Then I understood why the valley that gave birth to the earliest civilizations provided sustenance to ancient Babylon, and prospered until its irrigation works were deliberately destroyed by the descendants of Genghis Khan, was now, save for isolated spots, a barren desert. The reason is simple: The modern inhabitants are utilizing only a small fraction of the capacity of the water that flows through the parched land. We must make sure that in our country, unlike Iran and Iraq, we will develop to the fullest our water resources as we need them.

Mr. President, those words constitute one of the sternest warnings I have ever heard from the lips of a responsible person or public official. They point to the sad truth that throughout history, civilizations have failed and fallen when they have failed to conserve their natural resources.

Mr. President, I believe the words I have quoted should echo in the ears of Members of the Senate who today, or every time an appropriation bill or authorization bill comes before the Senate, challenge it and oppose it, and accuse it of being "pork barrel."

FLOOD CONTROL AND RECLAMATION FEDERAL POLICIES

Mr. MALONE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. MALONE. The subject the Senator from Oklahoma is discussing is of very great interest to me. Do I correctly understand that he is referring to the principles laid down by the Congress during approximately the past 75 years, in the case of flood control?

For 75 years the Federal Government has provided funds for the construction of flood-control projects without repayment when the Army engineers have reported that the benefits would exceed the costs.

Mr. KERR. Yes.

Mr. MALONE. And under the Reclamation Act, the Federal Government has advanced the necessary funds, to be repaid over a definite amortization period, without interest, but to be repaid in full. That policy of the Congress is 55 years old.

Mr. KERR. Yes.

Mr. MALONE. Are those the principles involved in the debate the distinguished Senator from Oklahoma is advancing?

Mr. KERR. They are two of the principal programs with reference to which I am trying to call attention to the need and necessity for a stepped-up rate of development of projects which have to do with, or which have for their purpose, the conservation of water for flood control, irrigation, navigation, power, recreation, and municipal and industrial water.

Mr. MALONE. Mr. President, if the Senator from Oklahoma will further yield, let me say that means that Congress must appropriate, each year, the sum of money the Army engineers believe to be necessary for the investigation of projects which either are before them or are likely to come before them, which they believe may be feasible, and the funds which the Department of the Interior also believe necessary to investigate the facts in the case of projects that may be feasible. Is not that true?

Mr. KERR. I am trying to indicate my very vigorous support of such proposals.

Mr. MALONE. Mr. President, I join the Senator in that position.

Mr. MONRONEY. Mr. President, will my colleague yield to me?

Mr. KERR. Mr. President, I am very glad to yield to my distinguished colleague.

Mr. MONRONEY. Mr. President, I should like to associate myself with the remarks of my senior colleague on the tragedy of the multi-million-dollar devastation which floods have caused in almost every part of Oklahoma. The damage to our State will run into many, many millions of dollars. Terrific expense will be involved in replacing the highways, restoring farm homes and lands, and above all, in attempting to replace the fertile topsoil which today is washing down every river valley.

I know of the great fight my senior colleague made when he was the Governor of Oklahoma from 1942 to 1946. He fought to develop a great water program, which would stop the devastation of the periodic floods which have occurred altogether too frequently in Okla-

homa, to harness the rivers, so as to get them to work for man, instead of destroying the fruits of man's labor, and to provide their multipurpose use for irrigation, hydroelectric power, industrial water, and for navigation. The senior Senator from Oklahoma has been the champion of this program.

When the rains happen to fall in torrential amounts in areas where these projects have already been constructed, I think the success of the projects—in the case of both the large dam programs and the small dam programs—has been ample proof that the devastation of floods, which cost so many millions of dollars, can be stopped.

I know we have a great current program, largely sponsored and largely brought to its present condition by the distinguished senior Senator from Oklahoma, and now before the Congress. If the program had been completed today, we would have suffered far less damage, because the history of the floods on the Cimarron, the Arkansas, the Verdigris, and on the other principal streams proves conclusively that where the primary danger has been from a flash flood, the program has anticipated the extraordinary flow of water throughout our State.

Floodwaters from west Texas, Kansas, and even points in Missouri must flow through Oklahoma on their way to the sea. Therefore, in addition to controlling our own heavy rainfall, which often occurs during a short period of time, our flood-control structures must be placed and built to control very great volumes of water.

While many civic leaders, the Army engineers, and others have worked long and hard to build an effective flood-control system, it was Senator Bob Kerr, and former Governor Bob Kerr, who took the initiative and drafted the master plan for the State's flood protection and water development which we now so urgently need to complete. I, particularly, am grateful for his leadership. I know the people of Oklahoma are grateful for the leadership and courage which the senior Senator from Oklahoma has shown in formulating and carrying through this great program.

Mr. KERR. I wish to express my deep appreciation to my junior colleague for what he has just said, and to note the fact that no Member of this body has a more able and devoted colleague than I have, and that no State has a more effective and devoted Representative in Congress in working for its welfare than Oklahoma has in my great junior colleague.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I wish to congratulate the Senator from Oklahoma on his very lucid and powerful statement in regard to control of waterways and what he has said today about his State. I express the sympathy of the people of Arkansas for the people of Oklahoma. The same flood which has affected Oklahoma is proceeding downstream and affecting Arkansas. I have talked to people in

newspapers, filing not what the Communists tell them but what they see and hear on their own. Their reports are invaluable to the informed public opinion our democracy needs—and it is unthinkable that we should not be able to get such reports from inside Communist China.

But the dispatches filed from that tense nation show significant changes beneath the Communist label. Terrorism and thought control have diminished; public opinion, basically anti-Communist and always anti-Soviet, is awakening; and a working agreement has been reached with the Polish Catholic Church under Cardinal Wyszyński. Industry and agriculture have been increasingly decentralized and denationalized. Little over one week ago the Polish Parliament approved a new budget and economic plan to reduce industrial expansion and raise living standards. And perhaps most significant of all, the Polish Government has for the first time turned toward the West for increased trade, for friendship, and for American credit and economic assistance—specifically for \$200 million worth of our surplus wheat, cotton, corn, fats and oils, to be repaid in Polish currency; and \$100 million worth of credit at the Export-Import Bank, to be repaid in dollars, to buy coal, farm machinery and fertilizer.

And what kind of response did they meet from our State Department, whose Secretary boasted here not so long ago of his desire to “advance the aims and aspirations of freedom-loving peoples” by a policy of “liberation”? They met doubt; they met delay; they met timidity and indecision. The welcome mat was haltingly extended only after 5 months had passed from the time the President pledged our aid to the new government—and longer than 2 more months passed before we reached agreement last week on less than one-third of their original request.

In part, of course, this hesitancy has been the result of divisions within the President's own party. Senate Minority Leader KNOWLAND has denounced all proposals for a Polish loan. He quotes the irritating anti-Western and pro-Communist statements made by Mr. Gomulka whose prestige we would be raising. He warns that our aid will simply strengthen the Communist bloc, relieve pressure on the Soviets, and divert to armaments those resources now devoted to staving off Polish discontent. Others warn that extensive American aid to Red-occupied Poland may serve only as a pretext for violent Soviet intervention, permanently crushing the Gomulka government and completely wasting any American investment. Still others take a less valid and less sincere position—they favor Polish aid, they say to voters who support it, but only if her government becomes truly independent, or joins an anti-Russian alliance, or abandons national socialism; or they favor aid only if it is limited to surplus foods alone, accompanied by teams of American observers to guarantee its delivery to needy Poles alone.

I do not say that there are no real risks in aiding the Gomulka government. These are real risks; but, speaking for myself, I do say that risk for risk, dollar for dollar, we cannot fail to meet the Poles more than half way. Apparently our latest offer, though far below their needs and hopes, is acceptable to the Polish delegation. But should a congressional veto or further administration haggling reduce this still further and turn them away nearly empty handed, after they have braved the Soviet's wrath to come, then we will either be forcing a suffering nation into a fruitless revolt—or forcing the Polish Government to again become hopelessly dependent on Moscow completely on Moscow's terms; encouraging the Polish Stalinists in their antiwestern propaganda; and very possibly causing the collapse of the present, more independent government. Other satellites, we

may be sure, are watching—and if we fail to help the Poles, who else will dare stand up to the Russians and look westward?

If, on the other hand, we provide a dramatic, concrete demonstration of our sympathy and sincerity, we can obtain an invaluable reservoir of good will among the Polish people, strengthen their will to resist, and drive still a further wedge between the Polish Government and the Kremlin.

I know of no more critical issue facing our foreign policymakers today. For success in Poland could have early consequences in Czechoslovakia and East Germany, and then the whole Communist orbit—and the Soviets know it. The so-called satellite nations constitute the Achilles heel of the Soviet empire, the tender spot within its coat of iron armor, the potential source of an inflammation that could spread infectious independence throughout its system, accomplishing from within what the West could never accomplish from without.

I call tonight therefore, and I shall devote my efforts on the Senate Foreign Relations Committee, for the formulation of a new American policy toward the satellites. The basic laws governing our foreign economic policies, such as the Battle Act and the Agricultural Surplus Disposal Act, recognize only two categories of nations in the world: Nations “under the domination or control” of the U. S. S. R. or the world Communist movement—and “friendly nations.” I suggest to you that there are more shades of gray than these black and white definitions would indicate—that there are and will be nations such as Poland that may not yet be our allies or even friendly, but which are at least beginning to move out from Soviet domination and control. I suggest that these acts be rewritten accordingly—that the policies based upon them be reformulated accordingly—and that we match our brave words about “Liberation” with some bold and imaginative moves of our own.

We have had enough of anguish and despair and empty promises. It is time now to reexamine, to illuminate, and then to act. In his book, *One Man's America*, Allstair Cooke tells the story which best illustrates my point. On the 19th of May 1780, as he describes it, in Hartford, Conn., the skies at noon turned from blue to gray and by mid-afternoon had blackened over so densely that, in that religious age, men fell on their knees and begged a final blessing before the end came. The Connecticut House of Representatives was in session. And as some men fell down in the darkened chamber and others clamored for an immediate adjournment, the speaker of the house, one Colonel Davenport, came to his feet. And he silenced the din with these words: “The Day of Judgment is either approaching or it is not. If it is not, there is no cause for adjournment. If it is, I choose to be found doing my duty. I wish, therefore, that candles may be brought.”

Members of the Overseas Press Club, let those of us who are here tonight concerned with the dark and despairing problems of the satellites ask once again that, to illuminate our way, candles may be brought.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1957

The Senate resumed the consideration of the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays on final passage of the bill?

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, lines 8 and 9, it is proposed to strike out the following:

CONTINGENT EXPENSES OF THE SENATE

Senate restaurants: For an additional amount for Senate kitchens and restaurants, \$30,000.

Mr. DOUGLAS. Mr. President, we have already appropriated \$55,000 of the taxpayers' money for the conduct of the Senate restaurant. The supplemental appropriation bill now before the Senate proposes to add \$30,000 for that purpose. This would make a total expenditure of approximately \$85,000, minus such amounts as would be returned at the end of the year, which are estimated to be approximately \$5,000, and probably not more than \$10,000.

Therefore, we may expect that there will be a subsidy of from \$75,000 to \$80,000 of the taxpayers' money for meals eaten by Senators, their guests, and others who patronize the restaurant facilities.

In going into the matter, I am informed that the probable gross receipts of the restaurant during the current fiscal year will be approximately \$500,000. That means there will be a subsidy of 15 percent on the total amount on food consumed by Senators, their guests, and others in the Senate dining rooms.

I realize that the appropriation was placed in the bill to provide for the wage increase which was long overdue and which was much needed. I am informed that the wages formerly were 75 cents an hour for waiters and 53 cents an hour for waitresses. These have been raised to \$1 and 85 cents, respectively. These increases in pay were necessary, highly desirable and should be made.

However, I do not believe that the taxpayers should subsidize Senators or subsidize their guests for the meals which are consumed. We should pay for them from the charges imposed by the Senate restaurant. I have before me a menu for today. I believe most of us are familiar with parts of the menu. However, I shall read some of the items for the benefit of the general public, so that people will know that we get our food at less than cost and at the expense of the taxpayers.

For example, our famous bean soup costs us only 15 cents a cup, or 20 cents a bowl. I defy anyone to get as good soup as that anywhere in the country, and in as large quantities, for such a low price.

I point out that we can get chopped U. S. Choice sirloin steak on toast for \$1.10, or a Spanish omelet for 85 cents, or broiled pork chops for \$1.25.

We can get Italian spaghetti and meat balls, Naples style, with Parmesan cheese, and tossed chef's salad, for 95 cents. We can get fried filet of lemon sole, tartar sauce, with hashed in cream potatoes, and cabbage salad with tomato, for \$1.20.

We can get émincé of chicken and fresh mushrooms a la King, timbale of rice, and buttered string beans, for \$1.15.

We can get roast loin of fresh Jersey pork, with applesauce, whipped potatoes, and braised mustard greens, for \$1.35.

These are all appreciably below current prices in Washington restaurants. In addition to that, if we ask for a second cup of coffee, no charge is made for it. Of course, cornbread is also furnished free to Senators whose penchant lies in that direction.

Without being demagogic about the matter, it seems to me that the prices should be increased, so that we and our guests would pay for the cost. The present practice is a form of relief for public officials and their guests which I personally think is indefensible. I am for helping those who badly need help, but I am opposed to subsidies for those who do not need them. The Members of this body and their guests certainly do not need them. I do not believe we want to put ourselves in the position before the public of getting a \$75,000 or \$80,000 subsidy on the meals which we and our guests consume. I hope very much the amendment may be accepted.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. I think the RECORD should be clear. I believe that a great porportion, perhaps 60 percent, of the meals served in the Senate Restaurant are served to the public and members of the press.

Mr. DOUGLAS. I think they, too, should pay adequate prices.

Mr. MAGNUSON. Just a moment, please. They have to eat somewhere, and it is hard for them to get downtown. I agree with the Senator that we ought to pay for what we get. I do not disagree with the Senator, but perhaps my tastes are a little keener than the Senator's. At any rate I should like to note for the RECORD that what we read on the menu and what we get in the restaurant have no relation to each other. So far as clam chowder is concerned, I defy the Senator from Illinois to find any clams in it.

Mr. DOUGLAS. I used to have the same experience when I would be furnished with oyster stew at church socials.

Mr. MAGNUSON. The same thing is true downstairs. I believe we ought to pay for what we get. Senators are only 96 out of the hundreds of people who eat there, however.

Mr. DOUGLAS. That is correct.

Mr. MAGNUSON. The guests are quite limited, because of the limited space in the restaurant.

Mr. DOUGLAS. I think it should be made clear that this subsidy from \$75,000 to \$80,000 is not a subsidy exclusively to Senators. It is a general subsidy to all those who use the restaurant. However, the people who use the restaurant are not an indigent class of people.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. On the whole, they are in the upper income group.

Mr. MAGNUSON. I do not know that the people in the press gallery are in the upper income group.

Mr. DOUGLAS. They should be, if they are not. I have never noticed any of them with tin cups begging in the streets. If they cannot pay, their newspapers can, and I have always noticed that newspapermen are not bashful about turning in expense accounts.

Mr. MAGNUSON. What I wanted to say was that I am in entire agreement with the Senator's objective in this matter, but—

Mr. DOUGLAS. People usually are.

Mr. MAGNUSON. But I do not believe there is a Senator who would disagree that prices could be raised 50 percent, if they could get better food for it.

But it is pretty bad. The menus always sound fine, but when we see what we get to eat, there is a big difference.

Mr. DOUGLAS. Perhaps I am more spartan than the Senator from Washington.

Mr. MAGNUSON. There is no high living down in the Senate restaurant. I think the Senator's objective is right. I have said this on many other occasions, having gone into the question some years ago.

Mr. DOUGLAS. Then I am very glad the Senator from Washington supports my amendment.

Mr. MAGNUSON. I think there ought to be a little history given on this subject. I think a distinguished Senator from Illinois was the chairman of the Committee on Rules at one time. I think it was Senator Brooks who handled the matter. He wanted to do something about the situation, so he hired someone from Chicago to run the restaurant. I do not know whether the fellow from Chicago is still running it; I understand he is. If so, let us ask that man from Chicago to give us food that is good food, and we will pay the price.

Mr. DOUGLAS. The best way to do that is not to pay a subsidy, but to compel the Rules Committee to raise the prices. So long as the subsidy is paid, they apparently will not raise the prices.

Mr. MAGNUSON. I think the prices ought to be raised much more than they are shown to be on the menu.

Mr. DOUGLAS. I am very glad the Senator from Washington agrees with me.

Mr. MAGNUSON. I think the caterer agreed to raise some prices a year ago, and they did raise the prices then on everything except soup. Why the price of soup was not raised, I do not know. Perhaps the price of soup should be raised a little. But I think the RECORD should be made clear.

Mr. DOUGLAS. I do not think we should be running a free soup kitchen.

Mr. MAGNUSON. No; of course, we should not. I think the RECORD ought to be clear that all kinds of people eat there. The number of people who visit the Capitol is increasing, and on this side of the building the Senate restaurant is the only place to eat.

The cafeteria is operated by the same people. I think anyone is willing to pay for what he gets—Senators and all others who eat there.

Mr. DOUGLAS. I am informed that the restaurant and the cafeteria in the Senate Office Building are about able to

break even, but that the big loss is in the Senate itself.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. I may be laboring under rather false standards, but I have not been impressed by the fact that the prices are so cheap, as the Senator from Illinois says they are. It may be that because the Senator from Illinois represents, in part, a State which has a city that contains the famous Pump Room, he has Pump Room prices in mind.

Mr. DOUGLAS. I have never been in the Pump Room in my life. I am not accustomed to dining off flaming swords.

Mr. NEUBERGER. If I may, I should like to get in a reference to the family business. My mother happens to be in the restaurant business in Portland, Oreg. She is a partner in operating 3 or 4 restaurant enterprises.

Recently I was home in Portland, and I made some speeches throughout the State. Because I am watching my weight and my cholesterol, I had the same lunch there that I habitually eat here, which consisted of fruit and cottage-cheese salad, and also a low-calorie dessert and coffee. That cost me, in one of the family restaurants in downtown Portland, 85 cents.

Mr. DOUGLAS. I would suggest to the Committee on Rules and Administration that the Senator's mother be engaged to run the catering service.

Mr. NEUBERGER. Would that be classified as nepotism?

Mr. DOUGLAS. No.

Mr. NEUBERGER. That same meal costs me more at the Senate dining room than it costs in Portland.

Mr. DOUGLAS. Whoever pays for it, the taxpayers' money should not pay for it; and if the service is not good, the Committee on Rules and Administration can sack the present caterer and get another caterer. On the whole, however, I think the service is good.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSTON of South Carolina. I am glad the Senator from Illinois has brought up this point. I am glad, too, that it is a man from Illinois who is operating the dining room.

I had one of the leading cafeteria men from South Carolina look over the list. If the committee wants to turn over the operations to someone who will not ask any subsidies, I think I can get the man to come here; and I think the patrons will be fed as good food as they are at present, without increasing any of the prices.

Mr. DOUGLAS. We first have had a tentative offer from Oregon; now we have one from South Carolina.

Mr. NEUBERGER. Perhaps the man from South Carolina can operate the Senate dining room in collaboration with my mother and her partner.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JAVITS. I am a member of the subcommittee which deals with this question.

Mr. MAGNUSON. Aha. Here is our man.

Mr. JAVITS. I rise only to give some information; not to engage in the debate.

I, too, felt as the Senator from Illinois did initially, that we ought to pay our way. The chairman has caused the people who run the restaurant to have a survey made—which is now in process—as to the prevailing prices, with a view toward increasing the prices in the Senate restaurant, so that it can come more nearly to the point of paying its own way.

Also, it is very hard to get someone to run a restaurant. On previous occasions many responsible operators were circularized; none could be obtained. Finally it was necessary to get the people who have the concession now. They do not operate at any profit as their own.

We are again opening the lists, in an effort to ascertain whether someone else wishes to operate the restaurant.

Those are the facts. They come to the point that the subcommittee is trying seriously to deal with this particular question.

I have no quarrel with the Senator's amendment. If the Senate believes it should be adopted, that is fine with me. But I am only pointing out that the subcommittee is aware of the problem, recognizes it, and is trying to do something about it.

I thought in fairness to the Senator from Georgia [Mr. TALMADGE], who is the chairman of the subcommittee, but who is not in the Chamber, this statement should be made.

Mr. JOHNSTON of South Carolina. May I ask the Senator from New York if the committee is affording other persons an opportunity to take over the operation of the restaurant?

Mr. JAVITS. Two things are being done: First, an effort is being made to find another operator who might do better, who might wish to take on the operations. I made some suggestions about someone in New York. If the Senator from South Carolina will give me his suggestion about persons from his State, we will add them to the list of persons to be circularized.

Second, a real effort is being made to deal with the question of price, with a view to narrowing the cost.

Mr. DOUGLAS. There is no use postponing a decision on the proper policy. The decision on policy is whether or not the public will subsidize the Senate restaurant. I think a subsidy for that purpose is indefensible, on the ground that the people who eat there—Senators, guests, and others—are perfectly able to pay the cost.

I am certain that if my amendment is passed, the prices will be increased by the Rules Committee and the restaurant will pay its way.

The volume of business—\$500,000 a year—is such that responsible caterers can be attracted to offer service at reasonable prices. But so long as we keep appropriating money, and especially when a deficit is incurred on the restaurants in the Senate buildings themselves, we postpone dealing with the issue itself, and we put ourselves, I think, in an inde-

fensible and vulnerable position before the general public.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSTON of South Carolina. As a matter of securing information, does the present caterer pay for the lighting in the restaurant?

Mr. DOUGLAS. I am not certain.

Mr. JOHNSTON of South Carolina. Does he pay any of the utility costs?

Mr. DOUGLAS. May I ask that the Senator from New York respond to that question? The Senator from South Carolina wishes to know if the caterer pays for the lighting and other utility services.

Mr. JAVITS. I wish I could enlighten the Senator as to that detail, but I can only suggest that I will get a copy of the contract and make certain that it is published in the RECORD.

Mr. JOHNSTON of South Carolina. I think that would be a good thing to do. Free utility service is as good as a subsidy, if we are talking about giving a subsidy.

I think if the subject is looked into properly, the same prices can be paid to get as good food as we are getting at present.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CARLSON. If I understand the Senator's amendment correctly, it applies not only to the restaurant where Senators eat, but also to the snack bars and cafeterias in the Senate Office Building. There are 1,800 employees on this side of the Capitol who eat in those places. I certainly have no objection to paying any cost the Senate Committee on Rules and Administration may suggest, but I think we should be careful about the charges made to the personnel who work in the buildings.

Mr. DOUGLAS. I think the Government should pay their employees an adequate salary, and they should then pay competitive prices for the food they eat. It is humiliating for us and for them to subsidize Government employees for the food they eat.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. What I do not understand is this: In the case of the major items on the restaurant menu, what makes the Senator from Illinois think that the prices charged for the food served in the Senate dining room are so cheap? I have been examining the menu; and, for example, I find that today, if a person has lunch consisting of fillet of sole—and whitefish is traditionally not expensive anywhere, except at a swank restaurant—potatoes, cabbage, salad, coffee, and dessert, the charge is \$1.50. I do not regard that as a particularly inexpensive luncheon. It may be that I have a low-priced viewpoint, since I come from the State of Oregon, where food at eating places may be less expensive than here. However, I cannot see why the prices charged for

food in the Senate restaurant should be regarded as particularly nominal.

Mr. DOUGLAS. Mr. President, I do not wish to become involved in an argument on a comparison of the prices of individual items, because that would be ridiculous.

I will say that in the Senate restaurant the charge for a bowl of bean soup is 20 cents; and I defy anyone to get as good or as large a bowl of bean soup anywhere else for 20 cents.

Certainly it is true that in the ordinary restaurant, one pays for a second cup of coffee; and certainly one pays, ordinarily, for cornbread or other bread, which is furnished free in the Senate restaurant. There are other items which either are furnished gratuitously or for which a very low charge is made.

Regardless of all that, the subsidy amounts to \$75,000 or \$80,000 a year. I have had the figures analyzed. I am told that the cafeteria in the Senate Office Building, where the vast majority of the Senate employees eat, approximately meets its expenses; that the other cafeterias also approximately pay out; that virtually all the losses are incurred in the restaurant in the Senate building itself. I think that situation is very wasteful and humiliating.

Mr. CARROLL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am very glad to yield, although, Mr. President, I must say that I do not know why it is that whenever I propose that an economy be made, the hornets begin to swarm from all sides—sometimes those whom I expect to sting me, and sometimes those whom I do not expect to sting me.

Mr. CARROLL. In this case the distinguished Senator from Illinois need fear no sting—merely a gentle nudge. I wish to ask how long the subsidy has been going on.

Mr. DOUGLAS. Last year the subsidy was \$30,827, plus the management fee of \$15,000, or a total of \$45,827.

Mr. CARROLL. Has the Senate restaurant always been operated in a sort of state of subsidy?

Mr. DOUGLAS. I am not able to answer that question.

Mr. CARROLL. I ask the question because, as a new Senator, I want my constituents to have the same benefits this year as those which have been extended for 20 years in the Senate; and I want them to be able to come with me into the Senate restaurant and see there the distinguished figures of American political life.

Mr. DOUGLAS. I, too, like to bring guests into the Senate dining room and show them the distinguished colleagues I have, including the Senator from Colorado. But I want to pay the check myself, and not charge it to Uncle Sam.

Mr. CARROLL. My question is whether this has been going on for many years.

Mr. DOUGLAS. I think it has, but I cannot take an oath on it. At any rate, it is a good thing to stop. Just because Henry Clay used snuff is no reason why we should.

Mr. CARROLL. As I understand, approximately 65 percent of the amount is for the salaries of the employees.

Mr. DOUGLAS. Mr. President, I am not complaining about the increase in costs. I think the former wage scale should have been increased. What I am saying is that instead of having the taxpayers meet the increased costs, the patrons of the restaurant should meet them.

Mr. JOHNSTON of South Carolina. Mr. President, I think one fact should be brought out, namely, that the Senate dining room remains in operation for as long a time as the Senate itself remains in session, and the employees have to be paid for being available as long as the Senate is in session. If we were to go to the restaurant at this moment, we probably would find only 1 or 2 persons eating there; and the same situation exists from approximately 1:30 or 1:45 p. m. each day, until the Senate ends its session for the day. Regardless of the number of persons in the dining room at a given time, the help are required to be on duty, even though basically only one meal a day is served in the restaurant. So the operation thus is more costly than it otherwise would be.

Mr. DOUGLAS. That is true. But it is a convenience to us, and either we or our guests should pay for it, or we should pay for our guests.

Mr. NEUBERGER. Mr. President, I think it would be very useful at a future time to include in the RECORD a comparison of the prices charged in the Senate restaurant with the prices charged in commercial restaurants of comparable standard, and where the food is of comparable quality and variety. I believe such a comparison will show that the prices charged in the Senate restaurant are not as abysmally cheap as the Senator from Illinois makes out.

Mr. DOUGLAS. Mr. President, I do not say the food in the restaurant is extraordinarily cheap. The Senator from Oregon is very cleverly trying to maneuver me into that position, but I simply say that the operation does not meet the costs. That is obvious from the subsidy we are being asked to appropriate.

Mr. NEUBERGER. But the Senator from South Carolina has pointed out a very basic reason, namely, the abnormal hours and the lack of a definite time schedule.

The operation of the Senate restaurant is very similar in some ways to the operation of a railroad dining car. Railroad dining cars operate in an unusual and unorthodox situation, because the crews are required to be transported either all day long or overnight, as the train travels from place to place; yet the service is expected to be available at all times to the traveling public. I have seen breakdowns made in that connection, and the accountants for the railroads invariably point out that, despite the fact that the prices charged for food served in railroad dining cars might appear to be rather high when compared with the prices charged for food in ordinary restaurants, yet the income the railroads receive from their dining cars

is not sufficient to meet the expenses involved.

If the Senate wishes to adopt a schedule which will permit the Senate restaurant to serve meals at the customary times, I am prepared to vote to have that done. But I think the RECORD should show that the operation of the Senate restaurant is at the present time quite an unusual one, and that the prices charged for the food served in it are not as dirt cheap as might be made out. I would be perfectly willing to have printed in the RECORD some representative menus from comparable restaurants.

Mr. DOUGLAS. Is the Senator from Oregon saying that the taxpayers should subsidize the restaurants in the Senate building to the tune of \$75,000 or \$80,000 a year?

Mr. NEUBERGER. Mr. President, what I emphasize is that the taxpayers of the United States pay for all sorts of things in connection with the operation of the Congress of the United States and the Government of the United States that are not comparable to the service in commercial restaurants or elsewhere. In that connection, we might refer to the so-called free haircuts. They might well be eliminated.

Mr. DOUGLAS. I tried that once. [Laughter.]

Mr. NEUBERGER. And we might as well eliminate the operation of the gymnasium, which is available to nearly all of us, and also the operation of the natatorium, unless a fee is charged us for swimming there. There will be no end to all this, if we wish to begin on it.

Mr. DOUGLAS. Mr. President, I think my record shows that when people are really in need or are starving, I am always ready to vote for appropriations to help them. I believe in our Government as an agency of welfare. However, just because I believe in that, I do not want the Government to subsidize those who do not need subsidies. We should not abuse a noble principle.

I do not want to lash myself into a fit of indignation over the matter. It is not a large amount. But the principle seems to me to be clear, and it is painful to have to stand here and insist on what seems to me to be simple truths.

Mr. NEUBERGER. But, as I understand, the basic reason why a subsidy is necessary—and I am sure that a cost study would bear this out—is the abnormal and irregular hours during which the Senate Restaurant is required to operate. This in large measure is due to the schedule of the Senate itself. I think that is a basic factor in the matter, rather than the prices charged for the food.

Mr. DOUGLAS. I do not think that these costs should be paid for by the taxpayers.

Mr. President, I have said about all I wish to say on this topic.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] on page 28, in lines 8 and 9.

Mr. HAYDEN. Mr. President, I merely wish to say to the Senator from Illinois

that this appropriation is to take care of a deficit occasioned by a directive issued by the Committee on Rules and Administration that the wages should be raised. The deficit amounts to \$30,000. Does the Senator want to raise the restaurant prices between now and July 1 in an amount sufficient to pay the \$30,000?

Mr. DOUGLAS. Yes, immediately tomorrow morning. I am for the wage increase, and we should pay for it.

Mr. HAYDEN. Does the Senator from Illinois want to recover the \$30,000 from those who patronize the restaurant between now and June 30?

Mr. DOUGLAS. Yes; certainly.

Mr. HAYDEN. I am afraid the Senator will have a great deal of difficulty in doing it.

Mr. DOUGLAS. We can well afford it. We recently granted ourselves a raise of \$7,500.

Mr. HAYDEN. I should like to point out that this deficit has been incurred because higher wages have been paid since July 1, and the deficit now amounts to \$30,000. There is no way in the world by which the prices can be raised between now and the 30th of June so as to cover the \$30,000. The only way this matter can be corrected is in the regular way, whereby the Committee on Rules and Administration will invite bids for carrying on the work of the restaurant, which it will do next month. At that time, with a new contractor, a new plan may be devised. But the present deficit must be paid. There is no way of avoiding it. The only method of paying it is to provide the money.

Mr. DOUGLAS. I do not have much money, but I am willing to give \$20 toward it and I now lay that amount on the desk.

Mr. HAYDEN. Twenty dollars will not go very far.

Mr. DOUGLAS. Make it \$50. It so happens I have only \$20 on my person, but I am willing to make it \$50. And similar contributions by all Senators would raise \$4,800.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. LAUSCHE. I have been in the Senate for 5 months, and every time a measure comes before the Senate and there is the possibility of correcting what is supposed to be a wrong, the argument has been made, "It cannot be done now." I am beginning to wonder whether we have gone so far in subsidizing that we are beyond the point of retreat. Two or three times today the argument has been made, "We can't do it now. We must wait 6 months."

Several weeks ago the President made a statement to the effect, "I do not believe we have gone beyond the divide." He did not use exactly those words, but the argument that we must wait to make reforms is made constantly, and I am beginning to wonder whether we have reached the point where we might as well quit arguing about retrenchments, whether we have reached the point where the Senate of the United States is saying to the people of the Nation, "There

can be no withdrawal from the principle of subsidies."

What right have we to subsidize the food which I buy in the Senate? I have heard words of pity and sympathy for the downtrodden and the poor. Yet in the next breath after issuing the words "poor railroad man, poor man working in the ditch," we say, "subsidies."

I speak fervently on this subject, but I am merely giving expression to my thoughts. If there is a clamor of the people of the Nation for a reduction in taxes, it comes from an honest belief that they can no longer carry the burden. The item under discussion is insignificant; it means practically nothing; but it deals with a philosophy of government, and from that standpoint it is of the greatest importance.

I commend the Senator from Illinois for the firm position he has taken in this matter. From my standpoint, I will fight the theory of subsidization which seems to be rampant. I have begun to feel that granting subsidies is a disease. I do not know what it would be called; perhaps "subsiditis," or something like that. It has taken pretty serious hold, to the point where we are limping, and unable to abandon the practice.

Mr. DOUGLAS. I may say, in response to the remarks of the Senator from Ohio, that I believe in the Government protecting the welfare of people in need. I believe in protecting them from slums and from bad housing conditions. I believe they should have decent schools to attend and that the public matters need to be guarded.

I believe in social security, and in such measures, but I do not believe in subsidies for the rich, for the powerful, and for those who do not need them. We must cut these out if we are to help provide for those who are actually in grave need.

Mr. NEUBERGER. Mr. President, I should like to express some very brief comments, if I may, on the economy speeches which have been made today. It is my feeling we are going to get real economy in the Congress only when Members are willing to vote for economies that affect appropriations and funds for projects in their own States.

I ask the distinguished Senator from Ohio if it is not true that when the public-works bill was before the Senate, he and his able senior colleague were instrumental and influential in having the Cleveland Harbor project included in the bill. I make no objection to that, but the point is that then a vast majority of us voted to pass the public-works bill, and we have been criticized in the press and elsewhere as being "pork barrel" advocates. I am sure the Cleveland Harbor project was a very worthy and proper one, and I think the Senators from Ohio were within their rights in having it included, but they urged the Senate, and successfully, to have their project added to the public-works bill. Is that not correct?

Mr. LAUSCHE. It is correct in part, but not wholly correct because it does not state all the facts. There were \$400 million worth of projects in the bill which were disapproved either by

the Corps of Army Engineers or by the Bureau of the Budget. The Ohio study was completed and declared financially feasible and acceptable by both of those divisions of Government. The senior Senator from Ohio [Mr. BRICKER], I believe, was notified of this existing acceptable project.

I opposed the "pork barrel" bill, and I label it that way from the standpoint of the \$400 million worth of projects which were declared to be financially not feasible. I told the senior Senator from Ohio I would go along with him in including the Cleveland project in the bill inasmuch as there were included \$400 million of unacceptable projects, but I told him, with equal force, that I would vote against the bill; and if I were the President of the United States today, I would veto it, even though it included the Ohio project.

Mr. NEUBERGER. But still the basic fact remains that the Senator from Ohio and his distinguished colleague—and both Senators from Ohio are distinguished—saw to it that the Cleveland Harbor project was in the bill. That basic fact remains and cannot be changed.

There is another situation involved here, because I have made up my mind that I am not going to make speeches about economy unless I am likewise willing to have economy applied directly to a bill which affects fundamentally the State of Oregon. I do not think that would be fair.

For example, the soil bank bill was before the Senate, and I could have made a big economy speech, because my State, unfairly, was almost entirely out of the soil bank. My State got \$170,000 out of the soil bank last year, and a substantial number of Middle Western States got from \$20 million to \$50 million each. Some of the Senators who made economy speeches on the public works bill come from States which got as much as \$20 million to \$50 million each from the soil bank, yet they did not make economy speeches on the soil bank bill.

This is the first speech I have ever made in the Senate in which I have been at all indignant, but I believe if we are going to have economy then Senators should urge economies affecting their own States.

I could have made the most sweeping kind of economy speech on the soil bank bill, and it would have cost Oregon only \$170,000, which is a relatively small sum. But I would not do that, because it would be insincere, coming from me under such circumstances, and hypocritical—when it barely affected my own State at all. I could do that with impunity, but not with complete sincerity.

I think the soil bank may have had a very valid application to the critical agricultural situation affecting some of the middle western States. I believe the Senators from those States would be derelict in their duty if they did not defend the legitimate interests of their States in that bill. But when I am here fighting for a public works bill, and I happen to represent the great seacoast State with some of the heaviest rainfall in the continental United States, I do not

like to have the Senators from the soil bank States, which got a lot from the soil bank, make great big economy speeches at the expense of our needed water-control and water-conservation projects in Oregon.

I feel that if we are to have economy, the Senators from the soil bank States should offer amendments to cut the soil bank, and Senators from the rivers and harbors States should offer amendments to cut the rivers and harbors projects. That is the only way in which we will reach real economy, in my opinion.

Mr. DOUGLAS. Will the Senator not begin by cutting the \$30,000 subsidy which is provided for the restaurant?

Mr. LAUSCHE. Mr. President, in reply to the statement just made by the Senator from Oregon, I should like to point out to the Senate that, considering whatever the cut was in the State Department appropriation bill, there was included in the amount a \$5 million intended for use in the construction of a stadium in my home city of Cleveland, for use in the Pan American games.

I stated on the floor of the Senate that I would not ask for my State that which I would not be willing to give to another State. Three newspapers in Cleveland kept prodding me and beating at me to fight for the \$5 million allocation for my own city. I did not waver on the item. I did not waver because I wished to be in a position to fight those appropriations which I thought were not justified.

I desire to say, with due respect, that I shall continue to fight, and I shall apply that attitude to my home State just as I shall apply it to other States.

Mr. DIRKSEN. Mr. President, I have heard these gastronomical fulminations from around Washington for the past 25 years. I think Senators eat too much, anyway, if the truth be known, but I rise only to defend the Senate restaurant contractor. He is from Chicago. I know him very well.

If Senators will examine the situation, they will observe the difficulty. There are in operation two cafeterias in the Senate Office Building; there is a snack bar on the Senate side of the Capitol, and, in addition, the Senate Restaurant. Then there are private dining rooms, the serving of meals in the minority policy committee room and majority policy committee room, the Vandenberg Room, and other special rooms. That is rather an extensive operation. There is a grand restaurant establishment, on the basis of one meal a day.

On the 1st of July 1956, the Committee on Rules and Administration asked to have the pay of the bus girls, waiters, and other employees increased. I think the contractor has done a good job. He is one of the largest operators in the United States. He operates a great feeding establishment wherever he is in business. I think he has made a good record in the Senate.

I hope, therefore, that the amendment presently pending will be voted down. Then, if it is desired to look into the matter, it can be done in the proper manner, through the Committee on Rules and Administration, because that

committee has jurisdiction over the restaurant.

That is the whole story in a nutshell. We have a contractor fighting all around to get adequate space in which to feed people. It is no easy job to run a restaurant establishment on the basis of one meal a day, and satisfy everybody as to quality, quantity, and price.

I heard a great deal of complaining in the House in the early days, and I have heard much in the Senate. I am ready to pay increased prices for the food I buy. But I am not unmindful of the fact that the people of the United States, my constituents and others, like to come to the Senate. They feel honored when they can be entertained in the Senate restaurant. I am not willing to be pica-yunish when it comes to the people who visit the National Capitol, and whose Capitol it rightly is.

THE PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

THE PRESIDING OFFICER. The bill is open to further amendment.

MR. HAYDEN. Mr. President, I call up the committee amendment relating to the Civil Service Retirement Act, to be inserted on page 8 of the bill, following line 8. I ask that the amendment be stated.

THE PRESIDING OFFICER. The amendment will be stated.

THE LEGISLATIVE CLERK. On page 8, after line 8, it is proposed to insert the following:

CIVIL SERVICE RETIREMENT ACT

For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment.

MR. HAYDEN. Mr. President, in explanation of the amendment, I should like to say that prior to the amendments of 1956 to the Civil Service Retirement Act, survivors of all Federal employees, congressional and executive department employees alike, had to be 50 years of age to be eligible for immediate annuities unless they had dependent children. Effective October 1, 1956, this requirement was eliminated, and all survivors become immediately eligible for survivorship benefits.

Senator Barkley died in April of 1956, just a few months before the change in the law. Had he died October 2, 1956, his wife would have been eligible for an immediate annuity. The only effect of this amendment is to make her eligible for the same retirement that all other survivors of Federal employees are now eligible to receive—an immediate annuity regardless of age.

MR. CARLSON. Mr. President, I certainly am not going to oppose the amendment, but I should like to invite the attention of the Senate to a few facts.

I have a high regard for the distinguished chairman of the Committee on

Appropriations. Indeed, I have great respect for all members of the Committee on Appropriations.

We have under consideration an amendment submitted by the distinguished chairman of the Committee on Appropriations, which is strictly a civil service amendment. I invite the attention of the Senator to page 8, which deals with insurance companies that have been taken over under a special act, proposed and presented to the Congress by the Civil Service Committee. That is strictly a civil service matter.

I should also like to invite the Senator's attention to page 14 of the bill, where the matter dealt with is the doubling of the pay for Sundays and holidays for certain classified employees of the Public Health Service. Frankly, I am in favor of these different items, but I should like to remind the Senate that they are strictly civil service, legislative matters. I hope the Committee on Appropriations will not take all the work and all the matters away from the Committee on Post Office and Civil Service in the future.

MR. HAYDEN. Mr. President, this one instance relates to the wife of a deceased Senator. If the proposal involved a general statute of any kind, I would not think of offering it.

Secondly, with respect to the rates of pay of public-health officers, that expense is not to be paid out of the Federal Treasury at all, but by the shipping interests.

MR. CARLSON. I am certainly in favor of this amendment.

I should like to state, also, that the distinguished chairman of the Committee on Post Office and Civil Service, of which I happen to be a member, has on the calendar Order No. 318, a bill to authorize the payment from the employees' life-insurance fund of expenses incurred by the Civil Service Commission in assembling and maintaining the assets and liabilities of certain beneficial associations. Our committee reported the bill last year. I was very much in favor of it. I am in favor of it today. But I remind the Senate of what the Appropriations Committee is doing to the Committee on Post Office and Civil Service.

MR. JOHNSON of Texas. Mr. President, will the Senator yield?

MR. CARLSON. I yield.

MR. JOHNSON of Texas. I understand the problem of the Senator, and I have some sympathy with him. In this particular case I hope the Senator will realize that this is an amendment offered on the floor of the Senate, where all Members of the Senate can act upon it.

This subject was first brought to my attention by a distinguished member of the minority. The committee which handled the legislation left a gap. An inequality existed, and it was our thought that the best way to handle the situation was to bring the amendment up on the floor of the Senate, so that every Senator might know about it, and so that the entire Senate might act upon it.

I have discussed this subject with the House leadership on both sides of the aisle. I think this is the proper way to handle a peculiar situation such as the

one which has arisen, and I hope my friend will go along with us.

MR. CARLSON. I assure the distinguished majority leader, who is a man of great persuasiveness, that I did not expect to oppose this amendment when I took the floor.

However, I call the attention of Senators to what seems to be happening to the Committee on Post Office and Civil Service, which has a proper and particular function to perform.

MR. JOHNSTON of South Carolina. Mr. President, this is a subject which should come before the Committee on Post Office and Civil Service. Congress passed the Insurance Act, which is now on the statute books, and which was processed through our committee.

At that time the Congress of the United States agreed to do just what is proposed in the appropriation bill at this time. For that reason I wish to commend the distinguished chairman and members of the Appropriations Committee for their action in including in this bill funds sufficient to permit the Civil Service Commission to complete the job of taking over the assets and liabilities of certain employee beneficial associations. As I have pointed out on numerous occasions, it is only just and fair that this action be taken. I urge that the Senate insist that the House accept the authorization contained in the Senate amendment. I think it would be a tragedy if this were not done.

For the information of Senators, a majority of the insurance companies have already been taken over. Some of them have not. It would be treating those which have not been taken over unfairly if they were not taken over.

MR. President, for the information of all concerned, I introduced S. 1740 which if enacted would make available to the Civil Service Commission money out of the insurance reserve fund to take over and preserve policies of Federal employees held in these beneficial life-insurance associations. They have already built up a surplus in that fund of approximately \$100 million. That bill was reported unanimously by the Post Office and Civil Service Committee and is now on the Senate Calendar. It is my intent to let it remain on the calendar until final action is taken on the appropriation bill now before us. If the additional funds provided in the Senate version are approved, I will then ask that the bill, S. 1740, be returned to the Post Office and Civil Service Committee. If, however, the funds are not approved, I will then ask for action on S. 1740. If the situation is taken care of in the manner now proposed, I shall later ask that the bill be taken from the calendar.

I am doing this contrary to my usual way of doing things in the past. This is legislation on an appropriation bill. I ask that the subject be taken up with the Committee on Post Office and Civil Service. If that is not done, we can get into a great deal of trouble. If different salaries are paid here and there to various and sundry employees, if the salary of one is raised, another will come along and say, "I must get an increase too."

I am waiving my rights at this time, because I think it is only right that the action proposed be taken.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] on behalf of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question, Shall it pass?

Mr. CASE of South Dakota. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Humphrey	Potter
Butler	Ives	Purtell
Capehart	Jackson	Revercomb
Carlson	Javits	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kefauver	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young
Frear	Monroney	

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). A quorum is present. The question is on the passage of the bill. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Virginia would vote "nay."

I further announce that if present and voting, the Senator from Missouri [Mr.

HENNING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPP] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. FLANDERS], the Senator from Maine [Mr. PAYNE], and the Senator from Kansas [Mr. SCHOEPP] would each vote "yea."

The result was announced—yeas 72, nays 5, as follows:

YEAS—72

Aiken	Green	Morse
Allott	Hayden	Morton
Anderson	Hickenlooper	Mundt
Barrett	Hill	Murray
Beall	Holland	Neuberger
Bennett	Hruska	O'Mahoney
Bricker	Humphrey	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Church	Kuchel	Smith, N. J.
Clark	Long	Sparkman
Curtis	Magnuson	Stennis
Dirksen	Malone	Symington
Dworshak	Mansfield	Thurmond
Eastland	Martin, Iowa	Thye
Ellender	McClellan	Watkins
Ervin	McNamara	Wiley
Fulbright	Monroney	Young

NAYS—5

Cotton	Frear	Williams
Douglas	Lausche	

NOT VOTING—18

Bible	Gore	Neely
Bridges	Hennings	Payne
Byrd	Jenner	Robertson
Cooper	Kennedy	Schoeppel
Flanders	Langer	Talmadge
Goldwater	Martin, Pa.	Yarborough

So the bill (H. R. 7221) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MORTON in the chair) appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. BRIDGES, Mr. SALTONSTALL, Mr. YOUNG, and Mr. KNOWLAND conferees on the part of the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 288, Senate Resolution 78.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the word "Resolved" and insert:

That the Senate Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized and directed (1) to gather, study, and make recommendations upon available unclassified data and information relating to critical and strategic raw materials and resources of the Eastern Hemisphere, many countries of which are a source of supply, in important quantities, to the United States; (2) to report to the Senate at the earliest possible date, and in any event not later than January 31, 1958, the results of its study, together with recommendations: *Provided, however*, That no additional expenses be incurred by the committee in making such study other than the time of staff members assigned to it.

Mr. JOHNSON of Texas. Mr. President, I understand the distinguished Senator from Nevada [Mr. MALONE] will make a brief explanation of the resolution. There is no opposition to the resolution, as I understand. The distinguished Senator from Montana [Mr. MURRAY], the able chairman of the Committee on Interior and Insular Affairs, who reported the resolution, had to leave the Chamber and asked me to have the Senator from Nevada make the explanation.

Mr. MALONE. Mr. President, Senate Resolution 78 merely authorizes the Committee on Interior and Insular Affairs to complete a report on the availability of critical raw materials and resources in the Eastern Hemisphere, as has already been done with respect to the Western Hemisphere. No additional expense will be involved, other than the time of the staff members assigned to the work of research.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 298, Senate Concurrent Resolution 26.

The PRESIDING OFFICER. The concurrent resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (S. Con. Res. 26) to print addi-

tional copies of the report entitled "The International Petroleum Cartel."

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Michigan.

RETIREMENT OF JUDGE ARTHUR A. KOSCINSKI

Mr. McNAMARA. Mr. President, on April 30, 1957, Hon. Arthur A. Koscinski, because of ill health, retired from active service as United States District judge for the eastern district of Michigan, after serving nearly 12 years on the Federal bench.

Appointed by President Truman, Judge Koscinski, a graduate of the University of Michigan Law School, brought with him to the bench a background of 35 years of active practice and a lifetime of keen interest in civic affairs. He served as a public administrator of Wayne County, Mich., for 12 years; and he was a member of the Detroit Pension Commission, whose members served for several years without compensation. This commission established an adequate pension system for city employees.

While on the bench he often worked a full 7-day workweek. Not only did he conscientiously perform the duties of his office, but he also devoted practically all of his leisure time to civic affairs.

The Federal bench and bar agree that Judge Koscinski's retirement constitutes a distinct loss to the Federal judiciary system; and although he feels that he is unable to continue the arduous duties imposed upon him by virtue of his position, his many friends hope that his retirement from the Federal bench will not mark the end of his many contributions to the civic life of the city of Detroit and to our State of Michigan.

I ask unanimous consent that an article on the life of the Honorable Arthur A. Koscinski be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGE KOSCINSKI RETIRES

The Honorable Arthur A. Koscinski retired from active service as United States district judge for the eastern district of Michigan on April 30, 1957, after nearly 12 years on the Federal bench.

At the time Judge Koscinski assumed the duties of his office on August 7, 1945, he brought with him a wealth of experience not only as an able lawyer but as a public servant.

After receiving his law degree from the University of Michigan in 1910 and admission to the bar in the same year he entered the practice of law which he followed continuously for 35 years before his elevation to the bench. He was one of the oldest law practitioners, in years of service, among attorneys of Polish extraction. During this long career as a lawyer he represented many business institutions, including a newspaper and a bank, in the dual capacity of director or officer and lawyer.

In 1923 two public administrators were appointed for Wayne County. One of the posts just created was conferred on Mr. Koscinski and he served in that capacity for 12 consecutive years, administering during that time estates totaling in value well over a million dollars. He was also a member of the Detroit City Pension Commission from 1934 to 1937; this commission worked with-

out compensation in the establishment of an adequate pension system for city employees. He served a 2-year term, during 1937 and 1938, as a member of the Public Trust Commission, and in 1941 a 1-year term as a member of the Michigan Constitutional Revision Commission. During 1942 and 1943 he was a member of the Board of Wayne County Institutions.

There were many civic, educational, and religious activities in which he had an active hand. In both World Wars he contributed services for which he received recognition, first as captain of a bond-selling team and for 5 years as Government appeal agent of the selective service board during World War II. He was a trustee of the Saints Cyril and Methodius Seminary of Orchard Lake, Mich., the school he himself once attended, and for 15 years was the president of the alumni association of that institution. He was also a member of the school board of Alliance College of Cambridge Springs, Pa., for many years.

Bar association activities also claimed his interest. He is a member of the American, Michigan, and Detroit Bar Associations and served on various committees.

Law was not only Judge Koscinski's vocation but his avocation as well. Most of his spare moments were devoted to reading and the reading material usually had some pertinence to law. During his term on the bench he worked relentlessly, often 7 full days a week and long hours each day. He not only conscientiously performed the duties of his office, which he always thoroughly enjoyed, but gave of his time freely, as he always did when he was a lawyer, seeing people of his own extraction who sought guidance on problems in no way related to law. As a law practitioner he also devoted endless hours of service as legal adviser to charitable institutions.

Ill health overtook Judge Koscinski several years ago and since then his vacation time was utilized for hospitalization in the interest of his health, though even on these occasions he worked from his hospital bed with the assistance of his staff, to keep his docket in motion. His retirement upon reaching the age of 70 was prematurely announced in the newspapers before he could complete pending matters requiring his disposition. His ready wit forestalled pressures which were bound to attend such an announcement and he jokingly admonished would-be successors "not to bargain for the bear's hide while the bear was still in the woods." Old homey Polish sayings, from which the above quotation stems, and which he attributes to his teacher-organist father, frequently served him in dealing with similar situations. From his father he also inherited his love of music and, before law absorbed all his attention, he was frequently known to entertain his friends with Chopin's compositions.

Those who have known him for a long time never cease in admiring his courage in overcoming almost unsurmountable difficulties. After he was forced to undergo an amputation of his left limb about 2½ years ago, he abandoned all activities outside of his judicial duties to preserve his strength for his work and he achieved his ambition to continue judicial service until his 70th birthday, at the cost of depleting most of his physical energy. He performed his duties conscientiously, fearlessly, and fairly and this mention of the highlights of his career, on the records of this body, is made in recognition of such service.

Mr. POTTER. Mr. President, I wish to join my colleague in paying tribute to Judge Koscinski, and to wish him happiness and health for many, many years to come.

Mr. McNAMARA. Mr. President, I thank the senior Senator from Michigan for his kind remarks.

ORDER FOR CALL OF THE CALENDAR ON WEDNESDAY

Mr. JOHNSON of Texas, Mr. President, I ask unanimous consent that on Wednesday next, it be in order to have a call of the calendar of bills and other measures to which there is no objection, from the beginning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Wednesday next, at noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NEED FOR PACIFIC NORTHWEST RESOURCE DEVELOPMENT

Mr. MORSE. Mr. President, I had prepared to make a lengthy speech today on the subject The Need for Pacific Northwest Resource Development. However, in view of the lateness of the hour, I have decided to request unanimous consent to have inserted at this point in the RECORD a manuscript entitled "The Need for Pacific Northwest Resource Development," based upon the testimony I gave this morning before the Appropriations Committee of the House of Representatives and a summary of certain appropriations. I request such unanimous consent, Mr. President.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR PACIFIC NORTHWEST RESOURCE DEVELOPMENT—STATEMENT BY SENATOR WAYNE MORSE BEFORE COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES

Mr. Chairman and members of the committee, a prudent businessman makes sure that his capital assets neither dwindle nor fall behind future demands. That business procedure is sound for the Government.

I join with my colleagues, Senator NEUBERGER, Representatives GREEN, ULLMAN, and PORTER, in urging the Appropriations Committees to make prudent investments in the future of America by the comprehensive development and protection of our natural resources.

As you know the Pacific Northwest has the greatest electric power potential of any region in the country. It has important agricultural potentialities, which will be needed in just a few short years to feed our growing population. My region and State have some of the finest lowland farm areas in the country—but they are under the constant threat of flood and erosion.

We appear today to urge that these assets be put to work and protected to meet the obvious needs of an underdeveloped region and a growing country.

The rate of Federal investment in Oregon in the last year of this administration has been under one-half of what it was in the last year of the previous administration. In fiscal 1953, \$110 million were appropriated for multipurpose dams in or on the borders

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 23, 1957
For actions of May 22, 1957
85th-1st, No. 86

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HIGHLIGHTS: House sent third supplemental appropriation bill to conference. House subcommittee ordered reported bill to modify relation of supports on burley and Virginia tobacco. House passed legislative appropriation bill. Sen. Capehart inserted Secretary's Cincinnati speech. Senate passed General Government Matters appropriation bill.

HOUSE

1. APPROPRIATIONS. Conferees were appointed on H.R. 7221, the third supplemental appropriation bill for 1957. Senate conferees were appointed May 20. p. 6625
Conferees were appointed on H.R. 6871, the State-Justice appropriation bill for 1958. Senate conferees were appointed May 15. p. 6654
Passed, 278 to 93, ^{with amendment} H.R. 7599, the legislative appropriation bill for 1958. pp. 6623-25 The bill includes funds for the Government Printing Office and the Library of Congress. Following are excerpts from the committee report:
Botanic Garden. "The Committee has not included the budget item of \$587,000 for relocating greenhouses of the Botanic Garden from their present location here on Capitol Hill to the Poplar Point nursery adjacent to the South Capitol Street bridge. The estimate was submitted in pursuance of Public Law 1005 of the 84th Congress. The present greenhouses are about 75 years old and are in an extremely poor state of disrepair despite alterations, repairs, and remodeling over the years. Something probably should be done about them but the Committee is not convinced that the most desirable solution is to erect new greenhouses at the Poplar Point nursery. The general character of the National Arboretum under the Department of Agriculture, located here in the District of Columbia, is somewhat akin to the basic purposes served by these greenhouses. It is the suggestion of the Committee that the possibility of locating necessary greenhouses at the National Arboretum to replace the present dilapidated structures be fully explored. It is possible that this would be practicable and desirable, as well as economical, since it would concentrate in one place two activities somewhat related in basic character."

Congressional printing. "The result is that neither the Printing Office nor the Committee can adequately judge financial requirements in advance. For this reason, the Committee has adopted language providing that if requirements in a given fiscal year exceed the amount appropriated, the difference, can, if necessary, be charged against the subsequent year's appropriation. This will permit orderly financing arrangements pending opportunity of the Public Printer to present the full facts in the situation to the Committee."

2. TOBACCO. A subcommittee of the Agriculture Committee ordered reported to the full Committee H.R. 7259, to modify the relation of price supports on burley and Virginia tobaccos. p. D446
3. RECLAMATION. Rep. Dixon spoke in favor of the Colo. River storage project, and commended the Governors of Colo., Utah, Wyo., and N. Mex. for their statements before the Appropriations Committee in favor of the project. pp. 6657-58
Received from the Interior Department two reports certifying that an adequate soil survey has been made of lands in the Ainsworth unit, Sand Hills division, and the Farwell unit, Middle Loup division, of the Mo. River Basin project, Nebr., and that the lands to be irrigated are susceptible to irrigated crop production. p. 6678
4. ATOMIC RADIATION. Rep. Holifield announced that a special subcommittee of the Joint Committee on Atomic Energy will hold public hearings May 27 through June 12 on the problem of radioactive fallout from nuclear weapons explosions, including the effects of fallout on human beings, livestock, and agriculture, and inserted a list of the names of witnesses and a statement for the guidance of those presenting testimony. pp. 6659-64
5. ELECTRIFICATION. Rep. Evins defended TVA against criticism of a representative of the Chamber of Commerce who testified in favor of liquidating the agency. pp. 6663-74
6. EXPORT CONTROL. Both Houses received from the Commerce Department a quarterly report on export control, pursuant to the Export Control Act. pp. 6678, 6553
7. LEGISLATIVE PROGRAM. Several Reps. discussed the support, and lack of support in Congress of the two political parties for the President's legislative program. pp. 6664-68, 6674-77

SENATE

8. APPROPRIATIONS. Passed as reported H.R. 5738, the General Government matters appropriation bill for 1958, which had been reported with amendments earlier in the day (S. Rept. 371). One of the amendments provides that the cost of special features or equipment required for vehicles used in investigative, law enforcement, or intelligence duties shall not be subject to the cost limit for such vehicles. (For additional items of interest to this Department, see Digest 43.) Senate conferees were appointed. pp. 6556, 6609, 6615-17
Agreed to allow the Appropriations Committee to report appropriation bills, for the remainder of this session, during the adjournments or recesses of the Senate. p. 6563
9. HOUSING. Passed as reported H.R. 6659, the proposed Housing Act of 1957. The bill includes a provision for research on farm housing.

may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. VORYS. Mr. Speaker, I am voting to cut out the \$7.5 million appropriation for going ahead with the House Office Building plans. I have great affection and respect for the members of this Building Commission, the Speaker, the gentleman from Georgia [Mr. VINSON], and the gentleman from New Jersey [Mr. AUCHINCLOSS]. I am willing to confess that I have not kept myself up to date on their plans. I think we need some more parking space, better cafeteria facilities, and more space for committees. But I did not realize, until I studied these hearings and heard today's debate, that the Commission is proposing to spend \$100 million on their plans, that all of this will cost \$230,000 per Congressman.

I do not need a third office room. I think the plans are too fancy, too elaborate. In any case, I do not think we need to go ahead with this project now, when building costs are so high and the demand for materials creates additional inflationary pressures. The Commission has acquired the necessary real estate. They can make some additional parking space, and then mark time on this project. I hope they will reconsider some of the elaborate plans we hear about, and cut the cost of the whole project. I know of no way to obtain such reconsideration except to cut out this appropriation today.

MORE ABOUT THE PROPOSED HOUSE OFFICE BUILDING PROJECT

Mr. RAY. Mr. Speaker, yesterday the House considered at some length the cost of an additional House Office Building and related projects, and this morning the House voted 206 to 176 against a motion which was aimed at eliminating a seven-and-a-half-million-dollar appropriation for continued work on that project. I now present the project costs on a per Member basis.

The entire cost of the project, including committee rooms, and so forth, is estimated at \$100 million. Dividing that by 438, the number of Members in the House of Representatives plus the 3 Territorial Delegates, we get a cost of \$228,000 per Member. Taking the cost of the additional office building itself and considering only the \$64 million yet to be spent, and dividing that by 170, the number of 3-room suites to be in the building, we get \$376,000 per Member's suite. On the same basis, the remodeling of the present Old House Office Building and the present New House Office Building would run to \$66,000 for each 3-room suite to be provided in those buildings.

I submit that these figures establish that continuation of this project at this time is reckless and extravagant in the extreme and that the motion to recommend the bill, H. R. 7599, should have been adopted.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Small Business may be allowed to sit during general debate in the sessions of the House through the remainder of the week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THIRD DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, THOMAS, KIRWAN, WHITTEN, ROONEY, TABER, JENSEN, H. CARL ANDERSEN, and CLEVENGER.

A BILL TO INCREASE CERTAIN RETIREMENT ANNUITIES

(Mr. DAWSON of Utah asked and was given permission to extend his remarks at this point in the Record.)

Mr. DAWSON of Utah. Mr. Speaker, I have today introduced a bill to remedy an inequity which Congress itself, I am sorry to say, has done more than its share to create.

The bill would increase annuities to Federal employees who retired before October 1, 1956, a class of annuitants who did not share in the increased benefits granted last year to subsequent retirees.

These people—indeed, all persons who have retired on a fixed income—represent the real human tragedy of the inflation encouraged, if not brought on, by freehanded Government spending. In the prolonged inflationary cycle, rising costs have carried wages and salaries along with them so that, while the active worker's higher income may be illusory in part, at least he has not lost ground.

But consider the person living, or trying to live, on retirement income. He has not even the comfort of illusion. To him it is only too real that as prices go up and up, his fixed income buys less and less.

Out of salaries which were not always adequate, these Government workers of whom I speak paid into their retirement funds good 100-cent dollars. Now that they have retired, we give them back 50-cent dollars. What kind of confidence game is that?

In all fairness, we owe it to these retired workers to maintain their buying power somewhere near the level which

they in good faith thought they were to have for their later years.

This bill, which would grant only modest and reasonable increases in the annuities upon which many of these people are wholly dependent, is the short-term answer to the problem they face. Of greater importance in the long run, not only to these former workers but to all persons living upon retirement income now or in the future, is the arrest of the inflationary cycle.

To the total cost of our Federal Government, this bill would add only the well-known drop in the bucket. It is, incidentally, the first bill I have introduced this session which would add, however little in proportion, to the cost of our Government. Still, it illustrates in principle the frightening self-perpetuation of astronomic Government spending: the spending pumps the economy, sending up the costs, requiring more spending, and so around and around the circle.

The lasting answer must be to bring our Federal spending back into reason, reduce the national debt, and put the brakes on rising costs and taxes which are squeezing our workers and strangling our retired workers.

But until that has been accomplished, I believe passage of this legislation is an obligation incumbent upon us. I urge immediate and favorable action on this proposal.

DIVERSION OF WATER FROM LAKE MICHIGAN

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 254 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may use.

(Mr. MADDEN asked and was given permission to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, this resolution provides for an open rule and 2 hours of general debate on the bill.

H. R. 2 authorizes the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the supervision of the Secretary of the Army, to withdraw from Lake Michigan, in addition to all domestic pumpage, a total annual average of 2,500 cubic feet of water per second to flow into the Illinois Waterway which is the Illinois River and connecting channels including the Chicago Drainage Canal. This diversion would continue on a test basis for a period of 3 years, during which time the Secretary of the Army, through the Army Engineers, will study the effects of the increased diversion and make a report to Congress, with recommendations, before January 31, 1961. The estimated cost of the study and report authorized is \$430,000, the major part of this amount to be used to cover the pollution and sanitary aspects of the study.

The Corps of Engineers, in a report dated January 29, 1957, pointed out that the estimated reduction in the generation of hydroelectric energy at plants in New York and Ontario, representing 72 percent of the total plants involved, would be about 1 percent of the total energy production. The report further states that the lowering of lake levels that would result from the 3-year diversion would be from three-eighths to five-eighths of an inch, and that the temporary lowering effects of the 3-year diversion would affect navigation adversely during low lake stages, but concluded the effect on navigation would be small and of a temporary nature.

During recent years great damage has resulted to property owners along the shores of Lake Michigan in northern Indiana. When a violent storm comes from the north or northwest this area suffers greatly from water flooding the coastline and doing great damage to buildings and property adjacent to the south shore of Lake Michigan.

The Corps of Engineers stated that lowering of the lake level from three-eighths to five-eighths of an inch that would result from a 3-year trial diversion would tend to be beneficial in lessening possible damage to property located on the south shore.

The large steel industries in my district who depend upon millions of tons of lake shipping have not protested to me that this small diversion of water would in any way affect shipping on the Great Lakes.

The Rules Committee has provided adequate time for all those interested to present their views. I, therefore, urge the adoption of House Resolution 254 so the House may proceed to the consideration of H. R. 2.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Illinois.

Mr. YATES. The lowering that would take place, to which the gentleman referred, namely, three-eighths of an inch, is what the Army engineers estimate will occur over the entire 3-year period in Lake Erie and five-eighths of an inch in Lakes Michigan and Huron?

Mr. MADDEN. Yes; over the entire 3-year period.

Mr. YATES. At the conclusion of the experiment, in the event the Congress no longer authorizes an additional flowage of water, in a relatively short time the lake will resume its normal level?

Mr. MADDEN. That is correct. There has been considerable agitation in the northern area of Indiana in regard to that situation. Now, I do not know whether a small three-eighths inch diversion over a 3-year trial period is going to help us in northern Indiana, but I know it is not going to do us any harm.

The Committee on Rules provided 2 hours' debate for this legislation, which I do not think it is going to take, but nevertheless the committee made that provision.

I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the gentleman from Indiana has so excellently stated the proposition before us that I do not feel that I should take much time, and I shall be brief. But, the facts remain that after extensive hearings the Committee on Public Works reported this bill favorably by a vote of 18 to 6. We had quite a lengthy discussion before the Committee on Rules, and, if my recollection is right, I believe there was only one member of the Committee on Rules that opposed the bill.

Now, what does this amount to? It merely means that they may use but three-eighths of an inch more water for this diversion from Lake Michigan down the Illinois River. Coming from Illinois, I have not received any letter from anyone disapproving this bill. Everyone seems to favor it.

Now, the question arises, Well, who is going to be harmed if this bill passes? I do not think anyone will be harmed, because the bill provides that the Secretary of the Army shall at all times have direct control and supervision of the amounts of water directly diverted from Lake Michigan. In plain words, that means that at any time it appears that this diversion is going to be harmful to anyone, in any way, the Secretary of the Army has the right and the power and he is ordered and directed to stop it.

So, Mr. Speaker, I reiterate that inasmuch as the Committee on Public Works held extensive hearings and by a vote of 3 to 1 favored this bill, and that of the total membership of the Committee on Rules only one was opposed to the rule, I submit that the rule should be adopted.

Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, this resolution, House Resolution 254, would make in order the consideration of a bill which has been a matter of controversy for a great many years. Under the provisions of the bill, the city of Chicago would be permitted to divert anywhere from 1,500 to 5,000 cubic feet per second of water from Lake Michigan and the Great Lakes system.

As the gentleman from Illinois [Mr. ALLEN] has said, this would be done un-

der the supervision of the Army Corps of Engineers. However, the only supervision that the engineers would actually have under the provisions of this bill would be to decide whether it should be as little as 1,500 feet at times and as much as 5,000 cubic feet per second of diversion at other times.

For many, many years, Chicago has been attempting, very frankly, to use the waters of the Great Lakes, and of all that great transportation system, for its own particular benefit. In my part of the country we have to have sewage disposal plants so efficient that the water which flows therefrom to our streams is pure, and will not in any way pollute them. But in Chicago, despite the fact they have spent considerable money on sewage disposal systems, they still use the Illinois River as a sort of drainage ditch, often filled with sewage and pollution. Now they want to use the waters of the Great Lakes to wash all this sewage down into the Mississippi.

Back in 1930 the city of Chicago was diverting 10,000 cubic feet per second of water from Lake Michigan and the Great Lakes. The other States which were affected, because the waters of the Great Lakes were being lowered and transportation was being interfered with, brought suit in the United States Supreme Court. The Supreme Court issued an order that the city of Chicago should not divert more than 1,500 cubic feet per second. Ever since that time Chicago officials have constantly been attempting and endeavoring; and I certainly do not blame any Chicagoan or Illinoisan for promoting his own self-interest in this matter—to get authority to divert more water—but I do not like them to do so to the consequent danger, and bad effects, upon the people of my State and all the other States touching upon the Great Lakes. Ever since 1930, when that Supreme Court decision was handed down, Chicago has been attempting to get more and more water for diversion from the Great Lakes.

Twice now the Congress has passed a bill on this matter, and I realize there is a pretty well organized effort behind this legislation, and I take my hat off to the gentleman who originated the bill and has worked very assiduously and ably for the benefit of his own constituents, but a bill of this nature was passed in the last two Congresses and both times promptly met with the veto of the President of the United States, because it is his duty, it is his responsibility, to protect the interests of all the people of this country, including those of the people of the other States besides Illinois which have some shorelines on the Great Lakes.

No one knows exactly what may happen as a result of such new water diversion. Tests have shown that dropping the water level of the Great Lakes by only 1 inch means that 100 tons of shipping, on the average, in each vessel on the Great Lakes, is lost. Of course, you remember during the war period what a terrible struggle it was to get enough iron ore down through the Great Lakes to supply our steel mills, in order to pro-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 24, 1957
For actions of May 23, 1957
85th-1st, No. 87

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HIGHLIGHTS: House Rules Committee cleared bills to extend Public Law 480, and to provide loans to desert-land entrymen. Conferees agreed to file report on third supplemental appropriation bill. House subcommittee ordered reported Alaska Statehood bill. House subcommittee ordered reported bill for stand-by authority for crop reinsurance in Puerto Rico. Rep. Hill introduced and discussed bill to clarify USDA jurisdiction over livestock and meat packing industries.

HOUSE

1. FOREIGN TRADE; SURPLUS DISPOSAL. The Rules Committee reported a resolution for consideration of H.R. 6974, to extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) for one year, to increase the authorization under Title I from \$3 billion to \$4 billion, and to authorize \$300 million additional under Title II for famine relief. p. 6781
Rep. Laird discussed the success of disposing of surplus commodities under Public Law 480, commended the administration of the program by this Department, and urged that it be extended for one year. pp. 6774-76
2. LOANS; FORESTRY. The Rules Committee reported resolutions for consideration of H.R. 3753, to enable this Department to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen; and S. 469, to authorize the U.S. to defray the cost of assisting the Klamath Indians to prepare for termination of Federal supervision and to defer sales of tribal property, including timberlands. p. 6781
3. APPROPRIATIONS. Conferees agreed to file a report on H.R. 7221, the third supplemental appropriation bill for 1957. p. D453

4. CROP INSURANCE. A subcommittee of the Agriculture Committee ordered reported to the full Committee H.R. 632, to authorize the FCIC to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly authorized agency of Puerto Rico. p. D451
5. STATEHOOD. A subcommittee of the Interior and Insular Affairs Committee ordered reported with amendment to the full Committee H.R. 50, to provide for the admission of Alaska into the Union. p. D451
6. ORGANIZATION. Rep. McCormack spoke in favor of his bill, H.R. 7964, to constitute the General Services Administration a Department of General Services p. 6769.
7. HEALTH. The Committee on Interstate and Foreign Commerce issued a report on International Health (H. Rept. 474). p. 6781
8. RUSSIAN FARM ECONOMY. In reporting H.R. 7665, the Defense Department appropriation bill for 1958 (see Digest 35), the report of the Appropriations Committee contains additional views of Rep. Whitten discussing his recent trip behind the Iron Curtain, and stating that agriculture is one of the most serious weaknesses in the Soviet economy due to natural limitations resulting for geographic location and climatic conditions, the agricultural system, and the lag in agricultural technology.

SENATE

9. RECLAMATION. Passed without amendment H.R. 2146, to require Congressional approval of small reclamation projects. Rejected Sen. Douglas' amendment to restore the 160-acre limitation (pp. 6718, 6731-43). Ready for President.
10. WATER RESOURCES. Sen. Neuberger inserted his statement before the Appropriations Committees on the need to develop Oregon's water resources. pp. 6718-19
11. TOBACCO; FOREIGN TRADE. Sen. Curtis criticized what he termed misleading propaganda efforts on the part of the Swiss, linking their exports of watches to sales of Md. tobacco. He inserted an article concerning the arrival of a Swiss tobacco representative who is conferring with this Department and Md. tobacco growers. pp. 6719-20
12. ELECTRIFICATION; TAXATION. Sen. Morse inserted the Governor of Oregon's statement on withdrawal from the Pacific Northwest Governor's Power Policy Committee, which the Governor stated was supporting the partnership program. p. 4744
Sen. Morse inserted an article dealing with certain practices of the Idaho Power Co. and criticizing their rapid tax-writeoff. p. 6746
Sen. Morse inserted an article criticizing rapid amortization and urged that the law be repealed. pp. 6746-7
Sen. Morse criticized the rapid tax amortization program and discussed the matter with Sens. Sworshak, Barrett, Douglas, and Lausche. pp. 6723-30
13. HOUSING. Sen. Purtell corrected the Record, pointing out that he had objected to consideration of H.R. 6659, the Housing bill, when the calendar was called Wed. (pp. 6681). Later in the day this was made the pending business (p. 6743).
In reporting H.R. 6659, the proposed Housing Act of 1957 (see Digest No. 84), the report of the Banking and Currency Committee contains the following statements:

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 27, 1957
For actions of May 24, 1957
85th-1st, No. 88

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HIGHLIGHTS: House received conference report on third supplemental appropriation bill. House disagreed to Senate amendments to general Government matters appropriation bill. Rep. Marshall opposed proposed USDA loans to desert-land entrymen.

HOUSE

1. APPROPRIATIONS. Received the conference report on H.R. 7221, the third supplemental appropriation bill for 1957 (Rept. 478) (pp. 6784-85, ~~6783~~). See table at end of this Digest for actions on USDA items. The conferees deleted the Senate amendment to assume life insurance agreements of certain beneficial associations.

Disagreed to two Senate amendments, and returned to the Senate, H.R. 5788, the general Government matters appropriation bill for 1958. One of the amendments disagreed to provides that the cost of special features or equipment required for vehicles used in investigative, law enforcement, or intelligence duties shall not be subject to the cost limit for such vehicles. pp. 6783-84

Began debate on H.R. 7665, the Defense Department appropriation bill for 1958. pp. 6787-6814

2. FARM LOANS. Rep. Marshall spoke in opposition to H.R. 3753, to enable this Department to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen, stating that more information was needed as to the cost of such a program and questioning the need for increased agricultural production in view of present surpluses. p. 6786

3. BUDGET; FOREIGN AID. Rep. Osmer inserted the results of a questionnaire sent to his constituents, indicating support for continued economic aid to friendly countries, and opposition to severe cuts in the budget. p. 6816
4. ELECTRIFICATION. Rep. Ullman spoke in favor of the construction of the Hells Canyon dam in preference to the smaller dams on the Snake River. pp. 6821-22
5. PROPERTY. Received from GSA a proposed bill to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property; to Government Operations Committee. p. 6823
6. STATEHOOD. Received an Ore. Legislature memorial favoring Statehood for Alaska and Hawaii. p. 6824
7. NATURAL RESOURCES. A subcommittee of the Judiciary Committee ordered reported with amendment to the full Committee S. J. Res. 35, to provide for the observance of the 50th anniversary of the founding of the conservation movement for the preservation of the natural resources of the U.S. p. D457
8. LEGISLATIVE PROGRAM. Rep. Boggs announced that the Defense Department appropriation bill will be considered on Mon. and Tues. of this week, to be followed with consideration of H.R. 6974, to extend Public Law 480, H.R. 3753, authorizing USDA loans to desert-land entrymen, and S. 469, to extend the termination date for Federal supervision over the Klamath Indians, including the disposition of their timberlands. He also said the House will meet but transact no business on Thurs. (Memorial Day), and then adjourn over until the following Mon. p. 6785

ITEMS IN APPENDIX

9. BUDGET. Rep. Haskell inserted a speech by Nelson Rockefeller on the Federal budget and methods of reducing waste in Federal expenditures. pp. A3995-7
Rep. Radwan inserted a letter praising him for supporting the President's budget. p. A4014
10. WOOL. Extension of remarks of Rep. Berry stating that: "The successful operation of the wool export program by the Department of Agriculture is of tremendous value to domestic wool producers." He pointed to the national defense values of the wool industry. p. A3997
11. FOREIGN AID. Rep. Gavin inserted an article, "Battle over foreign aid spending-Main fight expected on how to use funds after \$1.2 billion reduction." p. A4007
Rep. Smith inserted two articles on foreign aid which insisted that the foreign aid program was a failure. pp. A4011-12
12. ELECTRIFICATION. Extension of remarks of Rep. Scudder linking budget reductions to endorsement on the Trinity project partnership proposal, and inserting an editorial, "The national budget can, must, be reduced." p. A4022

BILLS INTRODUCED

13. WATERSHEDS. H.R. 7756, by Rep. Avery, to amend the Watershed Protection and Flood Prevention Act with respect to measures for erosion control; to Agriculture Committee.

14. LANDS. H.R. 7758, by Rep. McGovern, to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Randall Dam on the Missouri River and for rehabilitation of the Indians of the Crow Creek Sioux Reservation, S. Dak.; to Interior and Insular Affairs Committee.
15. IMPORTS. H.R. 7760, by Rep. Sisk, to amend section 8e of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported citrus fruits, and to sliced figs, dried figs, and fig paste; to Agriculture Committee.
16. LIVESTOCK; MONOPOLIES. H.R. 7764, by Rep. Evins, to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products; to Interstate and Foreign Commerce Committee.
17. SMALL BUSINESS. H. Res. 268, by Rep. Roosevelt, favoring the award to small-business concerns of a fair share of purchases and prime contracts made by the military services; to Armed Services Committee. Remarks of author. pp. 6817-8

BILL APPROVED BY THE PRESIDENT

18. PLANT PESTS. S. 1442, to repeal the Insect Pest Act and the Mollusk Act, amend certain provisions of the Mexican Border Act and clarify and strengthen the authorities now included in the Plant Quarantine Act by requiring permits for the movement of plant pests into or through the United States or from one State, Territory, or District of the U.S. into or through any other such State, Territory, or District; providing authority for taking emergency action with respect to pests that are new to or not theretofore known to be widely prevalent or distributed within and throughout the U.S.; providing for payment of compensation for products, articles, means of conveyance, and plant pests destroyed or otherwise disposed of under certain circumstances; authorizing regulations deemed necessary to prevent the dissemination of plant pests; conferring authority to make necessary inspections to carry out its provisions; and by including the words "insect pests, plant diseases, and nematodes, such as imported fire ant, soybean cyst nematode, witchweed, spotted alfalfa aphid" after the phrase "or to prevent or retard the spread of" in subsection (a) of section 102 of the USDA Organic Act of 1944, as amended. Approved May 23, 1957 (Public Law 85-36, 84th Congress).

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COMMITTEE HEARING ANNOUNCEMENTS:

- May 27: Mutual security bills, S. Foreign Relations. Federal employee pay bills, S. Post Office and Civil Service.
- June 19: Exempting wheat from marketing quotas if up to 30 acres is grown and used on farm where produced, H. Agriculture (McLain to testify).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105-A.

UNITED STATES DEPARTMENT OF AGRICULTURE

Supplemental Estimates, 1957, Included in the
Third Supplemental Appropriation Bill, 1957

Agency or Item	Budget Estimate	House Bill	Senate Bill	Conference Report a/
Agricultural Research Service:				
Salaries and Expenses:				
Research - Increase of \$66,000 in:				
limitation on construction of				
buildings for replacement of a				
research laboratory at Big				
Spring, Texas	Approved	Approved	Approved	Approved
Payments to States, Hawaii, Alaska,				
and Puerto Rico:				
Penalty mail - Authorization to:				
transfer funds from the ap-				
propriation to the Extension				
Service "Payments to States,				
Hawaii, Alaska, and Puerto				
Rico" for penalty mail costs				
of State agricultural experi-				
ment stations	\$250,000:	\$250,000:	\$250,000:	\$250,000
Extension Service:				
Federal Extension Service:				
Penalty mail - Authorization to				
transfer funds from the appro-				
priation to the Extension				
Service "Payments to States,				
Hawaii, Alaska, and Puerto Rico"				
for penalty mail costs of State:				
extension service directors ..	514,000:	514,000:	514,000:	514,000
Forest Service, Salaries and Expenses:				
Control of forest pests - Author-				
ization to transfer from 1957 ap-				
propriation available to the				
Department of Agriculture for				
salaries and expenses, funds for				
control of forest pests	800,000:	800,000:	800,000:	800,000
Office of the Secretary, Salaries				
and Expenses -				
Authorization to transfer, from				
1957 appropriations available				
to the Department of Agricul-				
ture for salaries and expenses,				
funds for costs of Federal				
Executive Pay Act	23,400:	23,400:	23,400:	23,400
Commodity Credit Corporation:				
Corporate administrative expense				
limitation -				
For expenses in connection with:				
increased price support				
operations	2,500,000:	2,000,000:	2,000,000:	2,000,000

Agency or Item	Budget Estimate	House Bill	Senate Bill	Conference Report a/
<u>Agricultural Conservation Program</u>	:	:	:	:
Service:	:	:	:	:
Emergency conservation measures -:	:	:	:	:
For emergency conservation	:	:	:	:
measures and to reimburse the:	:	:	:	:
President's "Disaster Relief	:	:	:	:
Fund":b/25,000,000:	:	c/	:15,000,000:	d/4,000,000
Emergency range conservation -	:	:	:	:
Authorization to transfer, from:	:	:	:	:
funds available for purposes :	:	:	:	:
of the Soil Bank Act, funds :	:	:	:	:
for carrying out the provi- :	:	:	:	:
sions of the Act of April 25, :	:	:	:	:
1957 (Public Law 85-25) which:	:	:	:	:
authorizes a program for :	:	:	:	:
deferred grazing:25,000,000:	:	e/	:25,000,000:	Disallowed
Farmers' Home Administration:	:	:	:	:
Loan authorizations - Borrowing :	:	:	:	:
authorization for increased farm :	:	:	:	:
ownership loans:26,000,000:	:	f/	:26,000,000:	26,000,000
Disaster loan revolving fund -	:	:	:	:
Authorization to use a portion :	:	:	:	:
of this fund for emergency feed:	:	:	:	:
and seed assistance to farmers :	:	:	:	:
and ranchers and to reimburse :	:	:	:	:
the President's "Disaster	:	:	:	:
Relief Fund":25,000,000:	:	g/	:15,000,000:	11,500,000

a/ Reported May 24, 1957.

b/ Budget Estimate proposed authorization to use balances from 1956 appropriation for the agricultural conservation program in lieu of a direct appropriation.

c/ The Urgent Deficiency Appropriation Bill, 1957, as passed by the House, included \$15,000,000.

d/ To be available until June 30, 1958.

e/ Submitted in Senate Document 36.

f/ The Urgent Deficiency Appropriation Bill, 1957, as passed by the House, included borrowing authorization of \$20,000,000.

g/ The Urgent Deficiency Appropriation Bill, 1957, as passed by the House, included authorization of \$15,000,000.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

MAY 24, 1957.—Ordered to be printed

Mr. CANNON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 7221]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 7, 11, 12, 13, and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 6, 18, 19, 20, 27, 29, 30, 32, 34, and 36 and agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$750,000; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$4,215,776; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 8, 9, 10, 14, 15, 16, 17, 21, 22, 23, 25, 28, 31, 33, and 35.

CLARENCE CANNON,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
JOHN TABER,
BEN F. JENSEN,
H. CARL ANDERSEN,
CLIFF CLEVINGER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

DEPARTMENT OF AGRICULTURE

Amendment No. 1: Inserts heading.

Amendment No. 2: Reported in disagreement. It is the intention of the managers to offer an amendment which will make \$4,000,000 available through June 30, 1958. This amount includes funds to reimburse the President's disaster relief fund which is available to meet emergency needs of this type where specific appropriations have been exhausted.

Amendment No. 3: Deletes language proposed by the Senate appropriating \$25,000,000 for emergency range conservation. The funds for this purpose were not agreed to since policies and procedures have not yet been worked out to insure that the money expended will result in the improvement or protection of cover on the land as contemplated by the law.

Amendment No. 4: Inserts heading.

Amendment No. 5: Reported in disagreement. It is the intention of the managers to offer an amendment which will provide \$11,500,000 for emergency feed and seed assistance. This amount includes funds to reimburse the President's disaster relief fund which is available to meet emergency needs of this type where specific appropriations have been exhausted.

Amendment No. 6: Authorizes \$26,000,000 for farm ownership loans as proposed by the Senate.

CHAPTER II

PANAMA CANAL COMPANY

Amendment No. 7: Deletes language proposed by the Senate appropriating \$1,000,000 for the Panama Canal bridge.

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Amendment No. 8: Reported in disagreement.

CHAPTER IV

AMERICAN BATTLE MONUMENTS COMMISSION

Amendment No. 9: Reported in disagreement.

CHAPTER V

INDEPENDENT OFFICES

Amendment No. 10: Reported in disagreement.

Amendments Nos. 11, 12, and 13: Delete language proposed by the Senate relating to the Federal employees' group life insurance fund.

Amendments Nos. 14, 15, and 16: Reported in disagreement.

CHAPTER VI

DEPARTMENT OF INTERIOR

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Authorizes \$283,000 for resources management, to be derived by transfer, instead of \$133,000 as proposed by the House.

Amendment No. 19: Appropriates \$15,000 for the Alexander Hamilton Bicentennial Commission as proposed by the Senate.

CHAPTER VII

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 20: Amends language of the House relative to hospitalization and medical care as proposed by the Senate.

Amendment No. 21: Reported in disagreement.

CHAPTER VIII

PUBLIC WORKS

Amendments Nos. 22 and 23: Reported in disagreement.

CHAPTER IX

DEPARTMENT OF STATE

Amendment No. 24: Appropriates \$750,000 for salaries and expenses instead of \$500,400 as proposed by the House and \$1,000,000 as proposed by the Senate. The conferees do not approve of the use of any appropriated funds for official residence allowances for deputy chiefs of missions or for medical benefits for dependents.

DEPARTMENT OF JUSTICE

Amendment No. 25: Reported in disagreement.

FUNDS APPROPRIATED TO THE PRESIDENT

Amendment No. 26: Appropriates \$1,300,000 as proposed by the House instead of \$1,500,000 as proposed by the Senate.

CHAPTER XI

LEGISLATIVE BRANCH

Amendments Nos. 27 through 34: Insert items for the Senate as proposed by the Senate. Of the foregoing, amendments 28, 31, and 33 are reported in disagreement.

Amendment No. 35: Reported in disagreement.

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

Amendments Nos. 36 and 37: Insert reference to Senate document and appropriate \$4,215,776 instead of \$4,437,896 as proposed by the Senate. The amount agreed to is \$222,120 less than proposed, due to the elimination of the judgment set forth in schedule C of Senate Document No. 38.

CLARENCE CANNON,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
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Managers on the Part of the House.

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Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

Vol. 103

WASHINGTON, FRIDAY, MAY 24, 1957

No. 88

Senate

The Senate was not in session today. Its next meeting will be held on Monday, May 27, 1957, at 12 o'clock meridian.

House of Representatives

FRIDAY, MAY 24, 1957

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McCORMACK). The Chair lays before the House the following communication:

The Clerk read as follows:

MAY 24, 1957.

I hereby designate the Honorable JOHN W. McCORMACK to act as Speaker pro tempore on today.

SAM RAYBURN.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, as we again turn to Thee in prayer, wilt Thou fill our minds with the truth that emancipates and our hearts with the love that consecrates.

Grant that by Thy grace we may be the masters over our troubles and temptations, our doubts and discouragements, our fears and frustrations.

In thought, word, and deed may we seek to be worthy followers of Him who lived the victorious life and went about doing good.

May we be builders of social order in which righteousness and justice shall rule and the spirit of love and brotherhood shall be triumphant over hatred and strife.

Show us how we may have a larger part in helping to mingle all the members of the human family into an alchemy of friendship and good will.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956.

APPROPRIATIONS FOR EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GENERAL GOVERNMENT AGENCIES, 1958

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5788) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, and ask for their immediate consideration.

The Clerk read the title of the bill. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to consider en bloc the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the amendments as follows:

Page 3, line 2, strike out "\$1,500,000" and insert "\$1,375,000."

Page 4, line 18, strike out all after "\$700,000" down to and including "act" in line 25.

Page 5, line 8, strike out "\$2,100,000" and insert "\$2,214,000."

Page 5, line 9, strike out "\$150,000" and insert "\$182,000."

Page 9, line 4, strike out "\$15,000" and insert "\$18,500."

Page 9, line 18, strike out "\$20,000" and insert "\$30,000."

Mr. ANDREWS. Mr. Speaker, I move that the House concur in the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7.

Mr. FENTON. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Will the gentleman be kind enough to explain his purpose to the House?

Mr. ANDREWS. Mr. Speaker, the motion which I have just made, and another to follow, will dispose of the general Government matters appropriation bill for 1958. The House cut the estimates by \$4,900,500 when it passed the bill on March 13. On Wednesday, the other body reduced the total of the bill by an additional \$11,000 by changing two appropriation figures. The other body also made several adjustments in limiting amounts, struck out some House-approved language—a proper legislative bill has been substituted—and inserted language in two instances. It is my intention to move to disagree to the two language items inserted by the Senate, and to agree to the other changes. The detail involved in each amendment is:

Amendment No. 1: Reduces appropriation for "Special projects" by \$125,000.

Amendment No. 2: Strikes out language providing five supergrade positions for the National Security Council. Separate legislation to accomplish this has been reported.

Amendment No. 3: Increase appropriation for the Office of Defense Mobilization by \$114,000.

Amendment No. 4: Increases limitation for Interdepartmental Radio Advisory Committee by \$32,000.

Amendments Nos. 6 and 7: Increase travel limitations for the Foreign Claims Settlement Commission and the Subversive Activities Control Board.

(Mr. FENTON and Mr. ANDREWS asked and were granted permission to revise and extend their remarks.)

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the motion.

The motion was agreed to.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to consider en bloc Senate amendments numbered 5 and 8.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Senate Amendment No. 5: On page 6, line 14, insert "together with the unobligated balance on June 30, 1957, of the appropriation granted under this head for the fiscal year 1957."

Senate Amendment No. 8: On page 10, line 4, insert "Provided, That the cost of any special feature or equipment required for the use of the vehicle in carrying out investigative, law enforcement, or intelligence duties shall be in addition thereto."

Mr. ANDREWS. Mr. Speaker, I move that the House disagree to the amendments of the Senate numbered 5 and 8.

Mr. FENTON. Would the gentleman be kind enough to explain these two amendments?

Mr. ANDREWS. Amendment No. 5 makes available the unobligated balance for President's Emergency Fund—National Defense. The action of the other body would be in violation of the rules of this House, and furthermore, the amount of \$1 million provided annually has proven more than ample over the past several years. I shall move to disagree on this item.

Amendment No. 8 provided that certain special equipment required on automobiles for police work be in addition to the dollar limit contained in section 201. The purpose of this amendment may well be desirable, but the House Committee should hear the need. In addition, the words used appear hastily drawn and do not provide a practical limit on the extent to which such special devices can be supplied to the various Government agencies. This is the other amendment on which I shall move to disagree.

Mr. FENTON. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FENTON. As the gentleman knows, we have discussed this matter in subcommittee and are in agreement with the actions which the gentleman proposes to take.

Mr. ANDREWS. I thank the gentleman.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

Without objection, a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speakers' table the resolution (H. J. Res. 247) for the relief of certain aliens, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, lines 9 and 10, strike out "Pearl (Pik Chun) Ma."

Page 1, line 10, strike out "Ying Lun Ma."

Page 3, line 1, strike out "Roger Eugene Caillaud."

Page 3, line 3, strike out "Kerttu Poutiainen Mayblom."

Page 3, strike out lines 12 to 20, inclusive.

Page 3, strike out all after line 20 over to and including line 3 on page 4.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, I would like to inquire of the gentleman from Pennsylvania, as I understand, this has been approved by the ranking minority member of the gentleman's committee?

Mr. WALTER. Yes. Actually, what happened was this: The Senate struck from the resolution seven names and they did it because certain information was not available. We had the information but the Senate did not. So, pending such time as they received this information, the names had been stricken from the resolution, but we believe and we know there will be another resolution later.

Mr. MARTIN. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

The Senate amendments were agreed to.

Without objection, the motion to reconsider was laid on the table.

STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. Con. Res. 89) with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the amendments as follows:

Page 6, strike out line 6.

Page 6, strike out line 7.

Page 27, strike out line 9.

Page 37, line 5, strike out "A-8881704" and insert "A-6881704."

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. WALTER. This amendment deletes three names withdrawn by the Bureau of Immigration and Naturalization from the resolution they sent to us some time ago.

Mr. MARTIN. And this action has the approval of the ranking minority member of the committee?

Mr. WALTER. That is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON submitted the following conference report and statement on the bill H. R. 7221, making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 478)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 7, 11, 12, 13, and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 6, 18, 19, 20, 27, 29, 30, 32, 34, and 36, and agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$750,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,215,776"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 8, 9, 10, 14, 15, 16, 17, 21, 22, 23, 25, 28, 31, 33 and 35.

CLARENCE CANNON,
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JOHN J. ROONEY,
JOHN TABER,
BEN F. JENSEN,
H. CARL ANDERSEN,
CLIFF CLEVINGER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
STYLES BRIDGES,
LEVERETT H. SALTONSTALL,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendment No. 1: Inserts heading.

Amendment No. 2: Reported in disagreement. It is the intention of the managers to offer an amendment which will make \$4 million available through June 30, 1958. This amount includes funds to reimburse the President's Disaster Relief Fund which is available to meet emergency needs of this type where specific appropriations have been exhausted.

Amendment No. 3: Deletes language proposed by the Senate appropriating \$25 million for emergency range conservation. The funds for this purpose were not agreed to since policies and procedures have not yet been worked out to insure that the money expended will result in the improvement or protection of cover on the land as contemplated by the law.

Amendment No. 4: Inserts heading.

Amendment No. 5: Reported in disagreement. It is the intention of the managers to offer an amendment which will provide \$11,500,000 for emergency feed and seed assistance. This amount includes funds to reimburse the President's Disaster Relief Fund which is available to meet emergency needs of this type where specific appropriations have been exhausted.

Amendment No. 6: Authorizes \$26 million for farm ownership loans as proposed by the Senate.

CHAPTER II

Panama Canal Company

Amendment No. 7: Deletes language proposed by the Senate appropriating \$1 million for the Panama Canal bridge.

CHAPTER III

Department of Defense—Military functions

Amendment No. 8: Reported in disagreement.

CHAPTER IV

American Battle Monuments Commission

Amendment No. 9: Reported in disagreement.

CHAPTER V

Independent offices

Amendment No. 10: Reported in disagreement.

Amendments Nos. 11, 12, and 13: Delete language proposed by the Senate relating to the Federal Employees' Group Life Insurance Fund.

Amendments Nos. 14, 15, and 16: Reported in disagreement.

CHAPTER VI

Department of the Interior

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Authorizes \$283,000 for resources management, to be derived by transfer, instead of \$133,000 as proposed by the House.

Amendment No. 19: Appropriates \$15,000 for the Alexander Hamilton Bicentennial Commission as proposed by the Senate.

CHAPTER VII

Department of Health, Education, and Welfare

Amendment No. 20: Amends language of the House relative to hospitalization and medical care as proposed by the Senate.

Amendment No. 21: Reported in disagreement.

CHAPTER VIII

Public works

Amendments Nos. 22 and 23: Reported in disagreement.

CHAPTER IX

Department of State

Amendment No. 24: Appropriates \$750,000 for salaries and expenses instead of \$500,400 as proposed by the House and \$1 million as

proposed by the Senate. The conferees do not approve of the use of any appropriated funds for official residence allowances for deputy chiefs of missions or for medical benefits for dependents.

Department of Justice

Amendment No. 25: Reported in disagreement.

Funds appropriated to the President

Amendment No. 26: Appropriates \$1,300,000 as proposed by the House instead of \$1,500,000 as proposed by the Senate.

CHAPTER XI

Legislative branch

Amendments Nos. 27 through 34: Insert items for the Senate as proposed by the Senate. Of the foregoing, amendments 28, 31, and 33 are reported in disagreement.

Amendment No. 35: Reported in disagreement.

CHAPTER XII

Claims for damages, audited claims, and judgments

Amendments Nos. 36 and 37: Insert reference to Senate Document and appropriate \$4,215,776 instead of \$4,437,896 as proposed by the Senate. The amount agreed to is \$222,120 less than proposed, due to the elimination of the judgment set forth in Schedule C of Senate Document No. 38.

CLARENCE CANNON,
ALBERT THOMAS,
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H. CARL ANDERSEN,
CLIFF CLEVINGER,

Managers on the Part of the House.

CORRECTION OF RECORD

Mr. CANNON. Mr. Speaker, in my extension of remarks appearing in the Appendix yesterday at pages A3941 and A3947, there are numerous printing errors which completely change the purport of the statement. I ask unanimous consent that it be reprinted in corrected form in the Appendix of the Record for today notwithstanding it exceeds the limitation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PROGRAM FOR NEXT WEEK

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I take this time in order to ask what the program will be for next week.

Mr. BOGGS. Mr. Speaker, the program for next week is as follows:

If we conclude general debate on the Defense Department appropriation bill today, we will begin to read the bill for amendment on Monday. The reading of the bill will probably continue through Tuesday.

There will be no rollcalls on Tuesday because of a primary in Kentucky.

Upon conclusion of the Defense Department appropriation bill, we have scheduled the following bills:

H. R. 6974, extend Agricultural Trade Development and Assistance Act.

S. 469, termination Federal supervision, Klamath Indians.

H. R. 3753, agriculture, loans homesteaders, and desertland entrymen.

Thursday is Memorial Day. There will be no business on that day. The House will meet and adjourn over to Monday.

Friday there will be no session.

ADJOURNMENT OVER

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

WILLIAM S. GIRARD

(Mr. LONG asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include related matter.)

Mr. LONG. Mr. Speaker, a very serious matter stands before the people of the United States at this very moment, one which demands the positive action of every citizen. I refer to the case of Specialist 3/c William S. Girard, of Ottawa, Ill., who may be released for trial to Japanese authorities by Adm. Miles S. Hubbard. This young man, while performing his assigned duties, fired a mortar shell that killed a Japanese woman in Japan on January 30 while she was on the Camp Weir military firing range without authorization. The incident, while extremely regrettable, was purely an accident and it should be borne in mind that the victim was trespassing in an area clearly marked as dangerous by virtue of the fact that it was an established firing range.

I cannot, for the life of me, understand why the authorities who have jurisdiction over this matter should permit this sort of thing to happen. Here is a young man in the service of our country, while in the performance of his official duties, purely by accident was involved in a mishap wherein the victim was entirely at fault and a trespasser in a restricted area. It rankles my soul to think that an American citizen should be turned over to stand trial in a foreign court according to the rules and precedence of a foreign land, a land which opposed our own United States in mortal combat only a few short years ago.

It should be kept in mind that customs and traditions vary in every nation and likewise do laws and the various types of punishment which may be imposed for the violation of such laws. Our system of justice in the United States and in the military are based on our way of thinking, and if our system was not a good one, it would not be in use today. We should not permit citizens of our country to be subjected to the court procedures of a foreign nation wherein the entire viewpoint could be completely different from our own.

I think it is high time that we, here in the Congress, wake up and take corrective measures. We draft our young men and send them to the four corners of the world to serve our country in foreign lands. Surely we should send with them

the protection of this great government of ours.

Mr. Speaker, I have received the following telegram which I should like to include:

ALEXANDRIA, LA., May 24, 1957.

Congressman GEORGE S. LONG,

Washington, D. C.:

The Alexandria Chapter Reserve Officers Association requests you use your influence to keep S/3C William S. Girard from being tried by a Japanese civilian court. We further request that you use your influence to keep any member of our military forces from being tried by a foreign civil court.

Capt. EARL F. HENDRICKS,

Retired Executive Secretary, The Alexandria Chapter Reserve Officers Association.

AMERICAN COUNCIL TO IMPROVE OUR NEIGHBORHOODS

(Mr. REUSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REUSS. Mr. Speaker, I wish to bring to the attention of the House the fact that the American Council To Improve Our Neighborhoods, the nonprofit public-service organization, commonly known as ACTION, is having a special congressional showing of its moving-picture presentation entitled "Our Living Future," at 8 o'clock Monday evening, June 3, at the Statler Hotel in this city.

Our Living Future will be here to climax its 8-month tour of 100 cities of our Nation. It is a progress report to us on the urban problems caused by overcrowding and blight and the reaction of officials and the public to these problems. It shows the many efforts being made to improve homes, neighborhoods, and communities and to eliminate and prevent slum conditions in a great number of cities, small as well as large.

The directors of ACTION will be delighted if you are able to attend this show. I believe that you will find it interesting and instructive.

The evening after the presentation for the Members of the Congress, there will be a public showing at the Lisner Auditorium of the George Washington University. This second showing is under the auspices of the Commissioner of the District of Columbia, the Commissioners' Urban Renewal Council, and its affiliated organizations.

ACTION's directors include these distinguished members from the Washington area: Mr. William G. Carr, executive secretary, National Education Association; Mrs. T. S. Chapman, former president, General Federation of Women's Clubs; Dr. Dorothy Ferebee, medical director, Howard University; Mr. George Garret, president, Federal City Council; Mr. Philip Graham, president and publisher, the Washington Post Co.

EXTENDING FINANCIAL ASSISTANCE TO DESERT LAND ENTRYMEN

(Mr. MARSHALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MARSHALL. Mr. Speaker, the Committee on Rules yesterday granted

a rule providing for 1 hour of debate on H. R. 3753, a bill to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

It is my purpose, Mr. Speaker, to inform the House that while I remain opposed to the bill, I am not opposed to the rule permitting debate of this bill by the House. My opposition to the bill stems from what I believe to be an erroneous statement in the report. The report says:

This bill would not require any additional appropriation at this time. Available direct and insured loan funds would be adequate to permit loans to be made under the amendment, and the administrative expense funds would absorb the cost of making, insuring, and servicing such loans.

It may be true that additional administrative money will not be required, but I want to point out to Members of the House that we are presently acting upon the third supplemental appropriation bill, which includes loan funds for the Farmers Home Administration. These loan funds are required for existing applications. No new funds to carry out the proposals made in H. R. 3753 are provided in either the third supplemental or in the regular appropriation bill for the Department of Agriculture recently passed by the House.

While our subcommittee heard considerable testimony from the Farmers Home Administration in justifying their request for funds, this new proposal was not considered by us.

In reading the report, I find no indication of the amount of money required for such loans and any limitation would have to be established by the Committee on Appropriations in making the funds available. Before passing a bill of this kind, it would seem that Members of the House ought to be given more information about the amount of money which may be required.

As I said before, there may be a certain amount of satisfaction in the old dream of making the desert bloom, but the House ought to consider if this is the time for such an undertaking. We do have an accumulation of agricultural surpluses. The Department of Agriculture blames these supplies for depressing the market. Is it then advisable for this same Department to make loans to increase production in desert areas? Members of the House deserve an opportunity to debate and decide so important a question. I take this opportunity to acquaint Members with some of the questions involved in this bill which will soon come before the House.

PROSTHETIC APPLIANCES

(Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have just witnessed a most remarkable demonstration of prosthetic appliances for veterans, civilians, and little children. I would like to express my deep appreciation to the House for passing some years ago a bill that au-

thorized yearly \$1 million in research on prosthetic appliances. It was because of Col. Robert F. Alton and the Walter Reed amputees that the bill was introduced. It is another thing that we must be grateful to the veterans for. Since that time, under General Strong's chairmanship, with money expended through the VA, marvelous cures have been accomplished working with the veterans and with the civilians. The House passed that bill unanimously some years ago, and every year they have continued the appropriation. I do not believe you ever appropriated \$1 million more wisely or one that would thrill your hearts more if you could have seen that demonstration.

The exhibition was held before the Committee on Labor and Public Welfare. Senator LISTER HILL, of Alabama, the chairman of that committee, presided. He has been tireless in both veterans and civilian rehabilitation.

LIST OF PARTICIPANTS IN DEMONSTRATION BEFORE THE COMMITTEE ON LABOR AND PUBLIC WELFARE, UNITED STATES SENATE, MAY 24, 1957

Gen. F. S. Strong, Jr., chairman, Prosthetics Research Board, National Academy of Sciences—National Research Council.

UPPER-EXTREMITY PROSTHETICS

Dr. Charles O. Bechtol, associate professor of orthopedic surgery, Yale University.

First Lt. Sheila McDonnell, AMSC, physical therapist, Walter Reed Army Hospital.

Mr. William E. Hitchcock, prosthetics instructor, Post Graduate Medical School, New York University.

Amputee demonstrators

Mr. Daniel J. Dennehy, Mt. Rainier, Md. (above-elbow amputee).

Pfc. Jack R. Northrup, Washington, D. C. (shoulder-disarticulation amputee).

Mr. Lewis A. Rice, Frederick, Md. (elbow-disarticulation amputee).

Sgt. Alonzo Spencer, Appomattox, Va. (below-elbow amputee).

LOWER-EXTREMITY PROSTHETICS

Dr. Cameron B. Hall, clinical professor, Department of Surgery (Orthopedics), School of Medicine, University of California at Los Angeles.

Miss Irene Waters, physical therapist, Institute of Physical Medicine and Rehabilitation, New York University.

Mr. Charles Hennessy, prosthetics instructor, School of Medicine, University of California at Los Angeles.

Amputee demonstrators

Miss Mary Heasty, Fairfax, Va., (hip-disarticulation amputee).

Mr. Herbert Kramer, Little Neck, N. Y. (above-knee amputee).

Mr. Leonard McCarthy, Trenton, N. J. (below-knee amputee).

CHILD-AMPUTEE PROSTHETICS

Dr. George T. Aitken, consulting orthopedist, Michigan Crippled Children Commission.

1st Lt. Sheila McDonnell, AMSC, physical therapist.

Amputee demonstrators

Diana Beckett, Beltsville, Md. (below-elbow amputee).

Donna DeYoung, Grand Haven, Mich. (bilateral knee-disarticulation amputee).

David J. Dodge, District Heights, Md. (below-elbow amputee).

Eugene Sanchez-Saavedra, New York, N. Y. (elbow-disarticulation amputee).

VOCATIONAL REHABILITATION AND PROSTHETICS

Mr. James J. Segars, supervisor, physical restoration, State Department of Education, Atlanta, Ga.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 19, 1957
For actions of June 18, 1957
85th-1st, No. 105

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HIGHLIGHTS: House adopted conference report on third supplemental appropriation bill. House debated public works appropriation bill. House committee ordered reported bills to permit soil bank lands to be used in establishing future acreage allotments, and to remove green peanuts from marketing penalties. House received proposed health insurance plan for Federal employees. Senate committee ordered reported bill to establish Outdoor Recreation Resources Commission. Senate committee reported bill to release extra-long staple cotton from stockpile. Sen. Clark introduced and discussed bill to establish commission to study and revise pay system for Federal employees.

SENATE

1. COTTON. The Agriculture and Forestry Committee reported without amendment H.J. Res. 172, authorizing removal from the strategic stockpile for CCC sale of 50,000 bales of extra long staple cotton (S. Rept. 463). p. 843
2. ATOMIC ENERGY. Ratified as reported the Statute of the International Atomic Energy Agency. pp. 8447-8, 8449-50, 8451-68, 8491-8508, 8509-24, 8525-34
3. RECREATION; MINERALS. The Interior and Insular Affairs Committee ordered reported with amendment S. 846, to establish a National Outdoor Recreation Resources Review Commission, and without amendment H.R. 3477, relating to the disposition of moneys received from mineral lands in Alaska. p. D542
4. REORGANIZATION. Received the President's message urging enactment of certain bills to implement recommendations of the Hoover Commission, including extension of the Reorganization Act of 1949, accrued expenditure appropriations, training Federal personnel at private or public facilities, and repeal of provisions requiring clearance of real property transactions with Congressional committees. p. 8440

5. HOUSING. The Banking and Currency Committee reported with amendments H.R. 4602, to encourage residential housing for veterans in rural areas (S. Rept. 464). p. 8443
6. ELECTRIFICATION; LOANS. S. 555, the Hells Canyon dam bill, was made the Senate's unfinished business. p. 8534
Sen. Humphrey inserted a resolution favoring Hells Canyon high dam from the Carlton County, Minn., Cooperative Power Assn. p. 8442
Sen. Humphrey inserted a Carlton County, Minn., Cooperative Power Assn. resolution urging that the interest rate for REA loans to cooperatives not be increased. pp. 8442-3
7. FLOOD INSURANCE. Sen. Bush inserted an editorial urging appropriations for the Federal Flood Indemnity Administration. pp. 8446-7
8. STUDENT EXCHANGE. Sen. Fulbright inserted an editorial and two letters on the value of the international student-exchange program. p. 8447
9. PERSONNEL. Sen. Humphrey expressed his gratification over the pay-raise bill reported to the Senate Post Office and Civil Service Committee by Sen. Neuberger's subcommittee, and inserted his letter to the Senator. p. 8448
10. FISCAL POLICY. Sens. Humphrey, Bush, McNamara, Case of S.D., Long, Capehart, Carlson, Lausche, Holland, Fulbright, and Wiley discussed the Administration's fiscal and monetary policies and their effect on the economy, and Sen. Bush inserted Treasury Secretary Humphrey's statement before the Senate Finance Committee on the financial condition of the U.S. (pp. 8482-90). pp. 8468-90
11. WATER RESOURCES. Sen. Johnson stated that without the multi-purpose projects the recent floods in Texas would have cost \$100 million more, and urged the value of flood control and water conservation projects. pp. 8439-40
12. FOOD DISTRIBUTION. Received a Calif. Legislature resolution urging positive steps to stockpile surplus foods in Calif. for civil defense. pp. 8440-1
13. IMPORTS. Received a Calif. Legislature resolution urging limitations on the import of dried figs and fig paste. p. 3441
14. LANDS. Received a Calif. Legislature resolution urging the lease of lands near Parker Dam to the Parker Dam County Recreation District. p. 8441
15. WHEAT. Sen. Carlson inserted a Woodlawn, Kans. Farmers' Union resolution

exchange therefor a conveyance in fee simple to the United States by Floyd McMahan and Annie Locket McMahan of the following described tract of land (together with any improvements thereon) located in the State of New Mexico: Northeast quarter of the southwest quarter of section 33, township 5 south, range 18 west, New Mexico principal meridian, containing 40 acres.

SEC. 2. (a) Prior to the consummation of the exchange authorized by the first section of this act the Secretary of Agriculture shall have an appraisal made of the parcels to be exchanged, and in the event that the property to be conveyed to the United States is of less value than the federally owned property to be conveyed under this act, the grantors of the property to be conveyed to the United States shall, as a condition to such exchange, pay to the Secretary, to be covered into the Treasury as miscellaneous receipts, an amount equal to the difference in the appraised value of the respective properties.

(b) The appraised value of the federally owned property to be conveyed under this act shall not include any increased value resulting from the development or improvement of such property by the said Floyd McMahan and Annie Locket McMahan, or their predecessors in interest.

With the following committee amendment:

Page 2, line 5, strike out "79.24" and insert "79.34."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIDWEST CLAYPAN EXPERIMENT STATION, MCCREDIE, MO.

The Clerk called the bill (S. 1034) to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the University of Missouri, without cost, the real property, together with the buildings and improvements thereon, constituting the United States Department of Agriculture Midwest Claypan Experiment Station located at McCredie in the county of Callaway, State of Missouri, which property is more particularly described as follows:

The east half of the southwest quarter of section 10, and 140 acres, more or less, being all that part of the southeast quarter of section 10 lying west of the center of the Fulton and Mexico road;

Also 14.90 acres being that part of the east half of the northeast quarter of section 10 lying south of the McCredie and Williamsburg road;

Also 1 acre, more or less, in the northwest corner of the northwest quarter of the southwest quarter of section 11, being all that part of the northwest quarter of the southwest quarter lying west of the Fulton and Mexico road;

Also about 1 acre in the southwest corner of the northwest quarter of section 11, being that part of said quarter section lying south of the McCredie and Williamsburg road and west of the Fulton and Mexico road;

Also all that part containing about 65 acres of the west half of the northeast quarter and

of the east half of the northwest quarter of section 10 lying south of the McCredie and Williamsburg road;

All of the above-described property lying and being in township 48 north, of range 9 west, in the aforesaid State and county, and containing 300 acres, more or less. Such property shall be conveyed upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural experimental work of the Department of Agriculture and the State of Missouri. The conveyance of such property shall contain a reservation to the United States of all the minerals in the land, together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROPERTY IN MASSACHUSETTS TO WOODS HOLE YACHT CLUB

The Clerk called the bill (H. R. 6623) to provide for the conveyance of certain real property of the United States in Massachusetts to the Woods Hole Yacht Club.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Secretary of the Interior shall convey to the Woods Hole Yacht Club, Woods Hole, Mass., all right, title, and interest of the United States in and to the real property described in section 2, upon the payment to the United States by such yacht club of the fair market value of such property, as determined by the Secretary, within the 2-year period beginning on the date of enactment of this act. In determining the fair market value for the purposes of this act the Secretary shall not include the value of improvements constructed on such property by such yacht club during the period of the lease referred to in section 2. The money received from the conveyance authorized by this section shall be covered into the Treasury as miscellaneous receipts.

SEC. 2. The property referred to in the first section was leased from the United States by the Woods Hole Yacht Club for the 25-year period beginning on January 1, 1935, under authority of Private Law 341, 73d Congress, approved June 25, 1934 (48 Stat. 1430), being that portion of the property owned by the United States at Penzance Point, or Long Neck, Woods Hole, and more particularly described as follows:

Side A, from boundary mark in direction 224 degrees 14 minutes 45 seconds true, a distance of 90 feet, which comes to high-water mark; side B, from boundary mark in direction 111 degrees 14 minutes 45 seconds true, a distance of 215 feet; side C, from easterly end of side B in direction 190 degrees 29 minutes 15 seconds true, a distance of 74 feet, which comes to the high-water mark; side D, from the southerly end of side C in a westerly direction along the irregular high-water line to the southerly end of side A and including the rocks lying offshore.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, notwithstanding any other provision of law and upon determination by the Administrator of General Services that the property described in section 2 of this act is surplus to the needs of the Government, the Administrator of General Services shall convey to the Woods Hole Yacht Club, Woods Hole, Mass., subject to such terms, condi-

tions, reservations, and restrictions as may be determined by the Administrator of General Services to be necessary to protect the interests of the United States, all right, title, and interest of the United States in and to the real property described in section 2, upon the payment to the United States by such yacht club of the fair market value of such property, as determined by the Administrator of General Services, within a 2-year period beginning on the date the property is determined to be surplus. In determining the fair market value for the purposes of this act the Administrator of General Services shall not include the value of improvements constructed on such property by such yacht club during the period of the lease referred to in section 2. The money received from the conveyance authorized by this section shall be covered into the Treasury as miscellaneous receipts."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENOUCE RIGHT IN CERTAIN LANDS IN MONTANA

The Clerk called the bill (S. 1319) to renounce any right, title, and interest which the United States may have in certain lands in Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby renounces any right, title, and interest to lots 5 to 12, block 25, Graves second addition, Harlowton, Wheatland County, Mont., which it may have obtained under the last will and testament of Edwin A. Patterson, of Harlowton, Mont., who died on May 12, 1954.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIGHTS TO REMOVE TIMBER FROM ACQUIRED UNITED STATES LANDS

The Clerk called the bill (H. R. 7522) to authorize the extension of certain rights to remove timber from lands acquired by the United States.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That in order to provide time sufficient for the acceptance thereof by the Secretary of the Interior under the act of March 20, 1922, as amended (16 U. S. C. 485, 486), in exchange for authority from the Secretary of Agriculture to cut and remove not to exceed an equal value of national forest timber, the Secretary of Agriculture is authorized to extend for a period reserved by it in deed dated September 20, 1957, the right of the McCloud River Lumber Co. to cut and remove merchantable timber reserved by it in deed dated September 20, 1932, situated on those parts of northeast quarter northeast quarter, southwest quarter northeast quarter, west half southeast quarter section 12, township 39 north, range 2 west, Mount Diablo meridian, north and west of the McCloud River (further identified as land exchange survey No. 331), which reservation is set forth as an exception in deed from Shaw Lumber Co. to the United States dated February 20, 1941, and recorded on page 30, volume 120, official records of Siskiyou County, Calif.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. CANNON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ROONEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 114]

Andresen.	Haskell	Powell
August H.	Hillings	Prouty
Bailey	Holtzman	Reece, Tenn.
Baker	Kean	Scherer
Beamer	Keeney	Simpson, Ill.
Bennett, Mich.	Knox	Taylor
Bentley	McCarthy	Ullman
Bowler	McConnell	Wigglesworth
Celler	McIntosh	Williams, Miss.
Coad	Machrowicz	Williams, N. Y.
Dawson, Ill.	Meador	Willis
Dooley	Murray	
Griffin	Porter	

The SPEAKER. On this rollcall 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 24, 1957.)

Mr. CANNON. Mr. Speaker, in addition to the conference report, the statement of which has just been read from the desk, there are 15 amendments in technical disagreement, mere formalities, and 2 amendments in material disagreement, 1 on flood insurance and the other on the stockpiling of strategic minerals, notably tungsten, which must be disposed of following adoption of the report.

I yield to the gentleman from New York [Mr. TABER] such time as he may require.

Mr. TABER. Mr. Speaker, as far as the conference report is concerned, I do not desire any time; it is as good as we can get.

I would like to say, however, that if we could get rid of all the amendments except the two in disagreement before we take them up, we would get along a little easier.

Mr. CANNON. In compliance with the suggestion of the gentleman from New York [Mr. TABER], I ask unanimous consent that amendments Nos. 8, 9, 10, 14, 21, 22, 23, 25, 28, 31, 33, and 35 be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the amendments, as follows:

Senate amendment No. 8: Page 6, line 16, insert:

"DEPARTMENT OF THE ARMY

"Military personnel

"For an additional amount for 'Military personnel,' \$27,444,000, to be derived by transfer from the appropriation for 'Procurement and production,' Army."

Senate amendment No. 9: Page 7, line 13, insert:

"AMERICAN BATTLE MONUMENTS COMMISSION

"Construction of memorials and cemeteries

"To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84)."

Senate amendment No. 10: Page 8, line 11, insert:

"CIVIL SERVICE RETIREMENT ACT

"For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment."

Senate amendment No. 14: Page 9, line 18, insert:

"OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount available for expenses of travel, is increased from '\$120,000' to '\$130,000.'"

Senate amendment No. 21, page 14, line 24, insert:

"FOREIGN QUARANTINE SERVICE

"Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service', when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of 1½ times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and 2 times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to

such employees for work performed within their regularly scheduled tour of duty.

"(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than 1 hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

Senate amendment No. 22: page 19, line 7, insert:

"DEPARTMENT OF THE INTERIOR

"Southeastern Power Administration

"Operation and maintenance

"For an additional amount for 'Operation and maintenance, Southeastern Power Administration', \$35,000, to be derived by transfer from the appropriation for 'Operation and maintenance, Southwestern Power Administration', fiscal year 1957."

Senate amendment No. 23: page 20, line 8, insert:

"RIVERS AND HARBORS AND FLOOD CONTROL

"Construction, general

"That portion of title III of the Act of July 2, 1956 (Public Law 641, Eighty-fourth Congress, 70 Stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of \$1,621,791 of the funds herein or hereafter appropriated for the Garrison

Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts numbered H. H. 3170 and H. H. 3168, and not to exceed \$2,000,000 shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Junior, and the heirs of A. Desjarlais, on or before September 15, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208 C of the Buford-Trenton project, Williams County, North Dakota, according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Junior, now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the Act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and the Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

Senate amendment No. 25: Page 23, line 10, insert:

"DEPARTMENT OF JUSTICE

"Legal activities and general administration
"Salaries and Expenses, United States Attorneys and Marshals

"For an additional amount for 'Salaries and expenses, United States attorneys and marshals,' not to exceed \$300,000, to be derived by transfer from any appropriation available to the Department of Justice for the fiscal year 1957."

Senate amendment No. 28, page 28, line 14, insert "For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, \$22,500."

Senate amendment No. 31, page 28, line 20, insert "There is hereby established within the contingent fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation 'Contingent expenses, Senate stationery, fiscal year 1957,' (2) any amounts hereafter appropriated for stationery allowances of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any

amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the contingent fund of the Senate for stationery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year, and (2) allowances which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund."

Senate amendment No. 33, page 31, line 5, insert "Not to exceed \$25,000 of the amount of \$60,000 under the heading 'Capitol Buildings' continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of 2 additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the 2 elevators in the Senate wing located adjacent to the 2 additional elevators, and is continued available until June 30, 1958."

Senate amendment No. 35, page 32, line 10, insert:

"GENERAL PROVISION

"Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement."

Mr. CANNON. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate and concur therein.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendments of the Senate numbered 8, 9, 10, 14, 21, 22, 23, 25, 28, 31, 33, and 35 and concur therein.

Mr. CANNON. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, the pending blanket motion of the distinguished gentleman from Missouri [Mr. CANNON] includes, with regard to amendment in disagreement No. 21, a motion that the House recede from its technical disagreement to this amendment of the Senate No. 21, and concur therein.

I am sure that the House will unanimously agree with the action suggested by the gentleman from Missouri and adopt the Senate language with regard to the Foreign Quarantine Service, Public Health Service, Department of Health, Education, and Welfare. This language provides for the payment of overtime services of employees of the Foreign Quarantine Division of the United States Public Health Service without cost to the taxpayers, and will permit the clearing of ships at our ports after 6 o'clock in the evening and on Sundays and holidays.

In unanimously agreeing to the language contained in amendment of the Senate No. 21, the conferees were also in unanimous agreement that nothing

should be done to disturb the long-established practice affecting officers of the Customs and Immigration Services insofar as overtime services and reimbursement by the parties requesting such overtime services are concerned. The practice, as carried out by these two agencies, is one that is equitable to the Government, to the employee, and to the third party. It is the opinion of the conferees that an extension of this practice to quarantine officers of the Public Health Service would be consistent with this long-established equitable principle that has been in effect for many years and comprises a formula that has been practical and satisfactory at great savings to the taxpayers.

(Mr. ROONEY asked and was given permission to revise and extend his remarks.)

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 3, line 2, insert:

"EMERGENCY CONSERVATION MEASURES

"For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for 'Disaster relief,' for allocations to the Secretary of Agriculture for such purposes, \$15,000,000: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows: "Strike out the sum of '\$15,000,000', named in said amendment and insert in lieu thereof '\$4,000,000, to remain available through June 30, 1958.'"

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 4, line 3, insert:

"DISASTER LOAN REVOLVING FUND

"Not to exceed \$15,000,000 of the Disaster Loan Revolving Fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 5, and concur therein with an amendment, as follows: In lieu of the sum of \$15,000,000 named in said amendment, insert "\$11,500,000."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: Page 10, line 3, "Notwithstanding" insert the following: "For an additional amount for 'Inpatient care', \$2,000,000, of which \$1,450,000 shall be derived by transfer from the appropriation for 'General operating expenses', fiscal year 1957, and \$550,000 shall be derived by transfer from the appropriation for 'outpatient care', fiscal year 1957: *Provided*, That, notwithstanding."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 16, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "For an additional amount for 'Inpatient care', \$1,000,000, of which \$725,000 shall be derived by transfer from the appropriation for 'General operating expenses', fiscal year 1957, and \$275,000 shall be derived by transfer from the appropriation for 'Outpatient care', fiscal year 1957: *Provided*, That, notwithstanding."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement, Senate amendment No. 15:

The Clerk read as follows:

Senate amendment No. 15: On page 10, line 1, insert:

"HOUSING AND HOME FINANCE AGENCY

"Office of the Administrator

"Federal Flood Indemnity Administration

"Payment for flood indemnity operations

"For payment of compensation for services rendered by private organizations and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Fed-

eral Reserve banks and public agencies as authorized by section 13 (b) of said act, \$14,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. BOLAND. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede and concur in Senate amendment No. 15.

Mr. CANNON. Mr. Speaker, I ask for a division on the question.

The SPEAKER. The question is: Will the House recede from its disagreement to the amendment of the Senate numbered 15.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

(Mr. BOLAND asked and was given permission to revise and extend his remarks.)

Mr. BOLAND. Mr. Speaker, this amendment and the motion which I offered to recede and concur in the Senate amendment embraces the \$14 million necessary to get the Federal flood insurance program off the ground. Those who were in the Chamber on May 7 will recall that in the third supplemental appropriation bill the committee struck out the \$50 million which was requested by the FFIA, and I moved the amendment on the floor of the House at that time to restore \$14 million in order that the program could get started.

At that time, Mr. Speaker, I said that the question before the House is not whether or not we want a flood insurance program. The question before the House was whether or not we wanted that program to get started, because the issue of whether or not this Congress wanted a flood insurance program was well settled back in July 1956, when this House and the other body voted overwhelmingly for a flood insurance program recommended by the President of the United States and also recommended in the several bills which were filed by a great many Members of this body and in the other body. At that time, last July, this House and the Senate voted overwhelmingly in favor of a flood insurance program.

Now, it is impossible to have a flood insurance program unless we implement that program with the necessary funds, and that is precisely what this amendment will do. All we ask is that this House agree with the Senate in restoring the \$14 million to the Federal Flood Indemnity Administration. This amendment was defeated on May 7 of this year in this House, 127 to 97, by a teller vote. The bill went over to the Senate and the Senate put this \$14 million back into the bill and put it back in overwhelmingly.

I would like to call the attention of the Members of this House to the debate that occurred on May 7 in which the argument was made against the program on the basis that it would mean another \$5 billion of Federal funds outlay, consisting of \$3 billion plus \$2 bil-

lion more on presidential approval. I would like to deal directly with that argument, because some of my colleagues might have been influenced by that argument on the floor at that time. To begin with, there is no likelihood that the Government would ever be called upon to pay that amount of money in any one policy year. It should be remembered that the \$3 billion or \$5 billion represents the total authorized amount of liability in force, and to my mind the statement that this amount of liability in force must be paid off in any one year is contrary to the fact, and I think the facts will prove it.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Is it not also true that the program today is even more important than it was when you first introduced your amendment, in view of the recent floods and the disasters that have struck different sections of our country?

Mr. BOLAND. The gentleman is right. This condition is not confined to New England. The only reason more New Englanders got on the floor May 7 in defense of this bill is because we have lived with floods longer than anybody else in this Nation. The fact of the matter is that recent events show that this is a problem that is common to the entire United States, not only New England but the west coast, the north and south Atlantic coasts, the middle Atlantic coast, Kansas, Iowa, South Dakota, Missouri, Oklahoma, Texas. All over the United States there is a demand for this kind of insurance, for this kind of program, so that the little man who is unable to get insurance might be able to insure his property, either his dwelling or the contents of his dwelling, for \$10,000 coverage. That is all we ask for. This is the kind of coverage that is not available generally in the insurance industry, and they have shied away from it, as the distinguished chairman has said. They have shied away from it, because it will be an expensive program, and the Federal Government will pay all the loss. That is precisely what we said when this bill was debated. At that time we said the losses would be paid by the Federal Government, and this is an opportunity to put the Federal Government into the insurance business on a plane on which it ought to come in, because this is a cooperative basis. On this basis the private insurance companies will write all of the insurance and the administration of it will be supervised by the Federal Government. That is precisely the manner in which we ought to get this started.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I would like to ask the gentleman if these insurance policies could also cover such items as fences and crops on farmlands in the event of floods.

Mr. BOLAND. No. In my opinion it would not cover crop losses, unless there

was a washaway of the soil by the water. It would be possible there.

Mr. EDMONDSON. The gentleman thinks it would cover a washaway of the soil. Would it cover fences and outbuildings on farms?

Mr. BOLAND. My information is that it would cover outbuildings, barns, and so forth.

In the debate in the House on May 7, the argument was made against the program on the basis that it would mean another \$5 billion outlay of Federal funds, consisting of \$3 billion, plus \$2 billion more on Presidential approval. I would like to deal directly with this argument because some of my colleagues might have been influenced by such a statement.

To begin with, there is no likelihood that the Government would ever be called upon to pay that amount of money in any one policy year. It should be remembered that the \$3 or \$5 billion represents the total authorized amount of liability in force and to make the statement that this total liability would have to be paid off in any 1 year is contrary to the fact, and I will prove it.

First, the \$3 billion will be spread nationwide on a basis related to the exposure in the various 14 different rating areas and there is no likelihood that there would be total losses under all policies in all parts of the country at the same time. The entire approach which has been developed by the FFIA has been to spread the risk nationwide and not concentrate the coverage in one particular flood area.

Second, the FFIA has built into the program certain safeguards in addition to those set forth in the statute. They are as follows:

The amount of insurance which can be sold to any person or corporation is limited to \$250,000 and to \$10,000 on a dwelling and its contents.

The contract itself will be for 1 year, noncancellable with the premium payable in advance. There will be a 30-day waiting period before the effective date—purposely adopted to avoid insuring risks when the storm warnings go up, and cancelling policies when the storms have passed over.

In addition to a number of exclusions, the contracts will contain a \$500 deductible plus 5 percent of the remainder of the loss.

Most losses arising under the contracts will in all probability be partial losses, and the amounts payable will fall below the face amount of the policies. Consequently, the total amount of \$3 billion authorized by the statute, representing the maximum face amount of the contracts issued, is not and reasonably should not be assumed to be the measure of the Government's exposure.

By selling the contracts nationwide, we believe sufficient spread will be obtained to minimize losses. The rating treatment is based on major river basins, and experience shows that all river basins do not suffer damaging floods in any one year.

As indicated previously, losses may be lower than the amount paid by the policyholders alone and, conversely, may exceed that amount. In our opinion,

over a period of years, with progressive rate adjustments, the premium income from policyholders should be equal to or above what we can reasonably expect to pay out in claims settlement.

The underwriting and distribution of the contracts will be controlled so that there will be no undue concentration in any one area. Rates will be adjusted rapidly to changing conditions, especially in areas of high exposure.

By controlling rates, underwriting, and distribution, I expect to modify the subsidy downward with the hope that it would ultimately reach zero. If this program is to be absorbed into the private insurance market, as intended by the Congress, the rate must be adequate, without any contribution from the States or Federal Government.

To take the argument of those opposed to this motion that you measure the amount of loss by the insurance in force and then assume that that is the liability that would have to be paid off in any 1 year would mean that no insurance company could exist. The fact is that no insurance company ever deals with the total liability in force. The only figure that is meaningful is the average annual losses a company will be called upon to pay and then obtain sufficient premium income for that purpose, and that is what the FFIA program is designed to do. The experts who have been dealing with this program have placed the figure of \$90 million as the maximum liability that the Government would be called upon to pay in losses in any 1 year and the rates are based on this figure.

One of my distinguished colleagues referred in the debate of May 7 to the fact that in 1951 flood losses in the Kansas City area amounted to \$2½ billion and then made the assumption that if \$2 billion of these losses were covered under the program, or even \$1 billion, the Government, after the collection of premiums, would have to pay out of the United States Treasury \$900 million for that 1 flood alone. Again, those opposed to this motion are dealing with false assumptions. The \$2½ billion to which they refer takes into account all types of losses and as I have already indicated, this flood insurance would be spread nationwide and there could not be a concentration of this amount of liability in any one area. Secondly, much of the properties that go into making up the \$2½ billion would not be insured under exclusions in the insurance contract itself. Thirdly, the maximum liability on any 1 property is fixed by statute at \$10,000 on dwellings and \$250,000 on commercial properties, and there are deductible provisions, all of which would reduce the total amount of losses payable by the Government. In addition, not all persons in any flood area will be holders of policies. Indeed, it has been stated by those opposed to this motion that the premiums are so high that not many people would purchase it anyway.

Congress wisely provided that this was to be an experimental program with a 5-year maximum period. Those opposed to the motion, in recognition of this experimental measure, have stated that the

FFIA should continue to study the program another year and use up the \$325,000 remaining out of the original appropriation of \$500,000. In my judgment, to continue to study this program further would be a waste of time and money. The best abilities available in the private insurance industry and in Government have developed this program after almost 10 months of diligent, conscientious, and continuous work and study and, in their opinion, it is now ready to be given a trial by actually offering the product to the American public at the prices that have been determined upon. The only real test of whether this program or any other is feasible is the market place, and while the agency could continue to study various aspects indefinitely, we will never know whether or not the program is sound and marketable unless and until it is given a field test by actual sale of policies. In addition, all insurance, and in fact, all new business ventures must develop experience upon which to predicate prices, distribution, and acceptability, and the only way that can be done in this new venture is by actually offering the contract of insurance publicly. The insurance industry has made it abundantly clear that if the Federal Government develops experience, which they are unable to do, and this experience establishes the feasibility of this type of insurance, they would then undertake to offer such coverage to the American people on a private-enterprise basis, which is the ultimate result this Congress had in mind when it passed the legislation less than 1 year ago.

I therefore urgently recommend this House to authorize the \$14 million by appropriation in order that we can give this program a fair trial and achieve the results which were intended by offering to the American people some measure of self-protection.

Mr. Speaker, I include an editorial from the Washington Post of June 17, 1957:

IMPERILED FLOOD INSURANCE

The move to deny all funds for flood insurance merits a high place on the list of strange actions taken in the name of economy. Last year Congress appropriated \$500,000 to set up the Federal Flood Indemnity Administration. In 1955 the country's losses from floods had mounted to about \$1 billion and Congress was almost unanimous in its decision that something must be done to minimize these losses to citizens and to relieve the Government of heavy demands for the relief of flood victims. Now the flood-insurance system is ready to operate, but the House voted to deny it the necessary funds.

What has happened to change congressional sentiment in this fashion? One factor is the reduction of flood losses last year, although they are again high in 1957, and another is the economy wave. As the flood-insurance program is not yet in operation, some legislators appear to have concluded that it can be slashed without taking anything away from anybody. Well, that may be good politics, but it involves a flagrant disregard of the public interest.

One absurd argument that is being made against the program is that it would mean another \$5 billion outlay of Federal funds. Actually the FFIA is authorized to write insurance totaling not more than \$3 billion, which could be raised to \$5 billion upon authorization by the President, but this would

create only insurance liability. The FTIA has set up a schedule of flood-insurance rates, covering 14 different zones, with the aid of commercial rating specialists. People in danger of floods would buy this flood insurance from commercial firms with the Government merely underwriting the venture because no private company is in a position to do so. Some losses might be incurred, but it is absurd to talk as if the \$3 billion liability were an expenditure.

For the first time this system would enable people living in areas of flood danger to contribute to their own protection. That is in accord with the general American pattern. The net effect might be to reduce demands upon the Government in flood emergencies and thus produce savings instead of added expenditures. Certainly a system that offers such potential advantages to the Government as well as to flood victims should not be abandoned without a trial.

House conferees who have been fighting this program will take their disagreement with the Senate conferees to the House floor today. That will give an opportunity for second thinking. In our opinion, the House should candidly recognize its error and accept the \$14 million the Senate wrote into the third supplemental appropriations bill to put the system into operation.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Speaker, the issue before us is whether the House conferees are to recede on their disagreement with Senate amendment No. 15 to the third supplemental appropriations bill—H. R. 7221. This would restore \$14 million to the Federal Flood Indemnity Administration. I am speaking in favor of restoring that sum.

This issue was before this House on May 7. But in spite of the lengthy discussion we had on the flood insurance item at that time I don't think the Members had an opportunity to understand the real issues. There was some confusion on this item because of errors of fact that came forth during the heat of the debate. If we are to deal intelligently with this matter, those errors must be corrected.

Let me add that this is not an academic question of keeping the RECORD correct—although that is a factor. These errors of fact are preventing people all over America—my constituents included—from getting protection against flood losses which this Congress authorized in the past session.

By way of background, the President asked in his budget message for \$100 million to make the flood insurance program operative. Subsequently, the administration cut its estimates in half and the actual request was for \$50 million.

The Federal Flood Insurance Act, which we enacted last year by an overwhelming majority, authorizes the Government to insure \$3 billion worth of property, and another \$2 billion with the authorization of the President. By normal underwriting authority. Many individual fire and casualty companies insure greater valuations of property.

The Government will use normal private enterprise channels to market and service this flood insurance and it will

pay the insurance companies for their actual costs—and nothing more. For this purpose, it is estimated the Government will need \$14 million. That is the item we are considering today.

Let us be clear on that. The \$14 million we are now considering—which was restored in the appropriation by the Senate—is not for the Federal Flood Indemnity Administration to hire employees, or to pay rent or to do any of the other things that contribute to enlarging the Federal establishment. It is to pay for the services of the private insurance people who will be performing a valuable service for the Government—in place of Government employees.

Some Members have implied that the insurance companies will make money on this arrangement. That is not so. The companies have agreed to sign contracts with the Federal Government whereby they will perform these functions at no profit, no overhead, and will not even charge for administrative costs. The net effect is that Frank Meistrell, Commissioner of the Federal Flood Indemnity Administration, has an option on the services of the entire American insurance industry at cost. He will pay for these services if and when they are used. I challenge anyone to suggest a more efficient and economical way to do this job.

If you have a piece of property and you want to insure it against floods, the Government will estimate the rate. If the estimate is \$1 for \$100 of insurance, the property owner will pay 60 cents and the Government will pay 40 cents. The 40 cents is the subsidy which was mentioned on the House floor during the past debate. The subsidy money does not go to the insurance companies as a Member suggested. It goes into a disaster insurance fund—along with the property owner's 60 cents of premium payment—and this money will be earmarked as loss reserves. This premium money and subsidy money can be used only for one purpose: Payments of loss claims.

Where will the Federal Flood Indemnity Administration get the subsidy money for the disaster insurance fund? By borrowing from the Treasury.

The borrowing authority is provided in the Federal Flood Insurance Act of 1956. I had to look to be sure. During some of the debate on this floor on May 7 it sounded for all the world like this agency had been caught sneaking into the Treasury through some legal loophole. But no, here is the authorization in the act we passed in this body. The act gives the agency the right to borrow—and I quote—"an amount not exceeding \$500 million (or such greater amount as may be approved by the President)."

A distinguished Member of this House, a man whose ability we all respect—had this to say during the heat of the May 7 debate:

One section says that the amount of insurance that can be outstanding at any one time is a small, paltry sum of \$5 billion. So I presume that any good administrator would limit the amount of Treasury borrowing to a cool \$5 billion. And how often? Every 12 months. Five billion dollars every 12 months. Now think about that.

I did think about that and I was shocked to think that a distinguished Member would make such a statement on the floor of this House.

True, the agency can insure \$3 billion worth of property and another \$2 billion with the authority of the President. True, if there are losses in excess of premium income the agency will borrow to pay claims.

But do you know that in any large disaster only a percentage of the victims carry insurance? Do you know that most people under insure? The Government's flood-insurance policies only permit \$10,000 coverage on a home and \$250,000 on commercial property. Do you know that every policy will carry deductible provisions where the insured must pay the first \$500 of his loss plus 5 percent of the remainder of the loss? Do you know that zoning provisions in the act give the agency the right to refuse to write insurance in an area if there are no zoning laws to keep people out of the way of floods?

Enough on the misstatements. I want to use the rest of my time to advise the House on the implications of the vote today. We are voting here on the life or the death of the flood-insurance program.

The House previously passed this appropriations bill providing no funds for the Federal Flood Indemnity Administration. The Committee on Appropriations advised the agency to use the balance of money appropriated last year—some \$300,000—to continue studies on the problem. But that money previously appropriated is for use only in the current fiscal year. It has not been reappropriated. So the agency dies at the end of this June. And so does the flood insurance program. And so do the hopes of my people and millions of others along the eastern seaboard, in the Ohio Valley, the Mississippi-Missouri Valley, in Texas, Oklahoma, and the west coast.

These Americans are asking only for the right to buy insurance protection from flood losses. They can get charity—the Red Cross is wonderful at that. They can get Federal handouts—the Federal Government disburses millions of dollars in relief to disaster areas.

But they do not want charity and they do not want relief. They want to pay for what they get.

But Members of this House stand up and say "No. You can't pay enough for this insurance to make a profit. So we are not going to sell it to you. There have been floods for a thousand years and there will be floods for another thousand. Too bad for you who get hurt. But no profit, no insurance."

I urge the Members to vote instructions to our conferees that they recede from their disagreement with Senate amendment 15 and restore \$14 million to the flood-insurance program.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the majority leader.

Mr. McCORMACK. May I call attention to the fact that within a few weeks this House will have before it a special insurance bill in relation to

peacetime atomic energy reactors, which will involve about \$500 million. We may have to do that in order to inspire this activity; yet we shall probably find that those who oppose this \$14 million appropriation will vigorously fight for the passage of that bill. And I probably will favor the bill, recognizing the practical situation that exists in connection with peacetime reactors. On the other hand, it seems to me that we should not make fish of one and flesh of another.

Mr. THOMPSON of New Jersey. I agree with the distinguished majority leader.

Mr. GREEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Pennsylvania.

Mr. GREEN of Pennsylvania. Mr. Speaker, I want to congratulate the gentleman from Massachusetts [Mr. BOLAND] on the fine fight that he has made on this issue. Also I compliment the gentleman from New Jersey [Mr. THOMPSON]. When the amendment was on the floor previously, I spoke in favor of it. I am in support of the amendment now and I hope that this House will adopt it.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I should like to have the gentleman emphasize the point that there is no question about the fact that the losses will never run up to \$3 billion or \$5 billion. I think that was the point that was made in the House on May 7 that impressed the House more than any other argument. The fact of the matter is that the risk will be spread all over the United States and that the risk will be allocated in particular river basins; and that the amount of the premiums that will be paid will be paid according to the type of risk that the Government will insure. So I say that there is no possibility of the Federal Government ever being called upon to pay anything like \$3 billion or \$5 billion in losses.

Mr. THOMPSON of New Jersey. Is it not also true that this is the first time those who are frequently stricken by floods will have the opportunity to pay toward indemnity for some of their own losses?

Mr. BOLAND. This is the first opportunity that has ever been offered. I think it is a good opportunity to give these people a chance to get some relief. This is a good way to stop the relief and rehabilitation that the Federal Government pours into disaster areas. I think this is a good way to save money. It is a good way to save tax money because every time there is a disastrous flood of course there is a large number of losses taken for tax purposes.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I think the gentleman is making a very good point,

because actually this is a program which in the long run could save money. When any disaster occurs on any large scale Uncle Sam comes in and picks up the whole tab. Here we have an opportunity to give the people themselves a chance to participate in that program.

Mr. THOMPSON of New Jersey. I thank the gentleman. I thank also all of those Members of the House from the many, many States involved on both sides of the aisle for the tremendous amount of assistance being given us in this effort.

Mr. SCUDDER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from California.

Mr. SCUDDER. The gentleman is making a constructive statement on this very necessary program, if we make insurance available for flood disaster I believe that a substantial number of policies will be issued and should give a reasonable spread of coverage throughout the potential flood areas. The premiums income, without a doubt will come from all areas subject to floods which will build a reserve to cope with many of the normal losses. Should flood insurance be available and a loss occurs the demand on the Federal Government would be lessened because they would have had the opportunity to buy insurance and the Government would not have the implied responsibility to assist in an emergency. Nobody sympathizes too much with a person who neglects to protect his property by taking out fire insurance. So if you have insurance available there will be little reason for people not insuring, the money the Federal Government puts up will be small as compared to the premiums paid by the property owners, I believe this program assisted by the Federal Government can be developed into an actually sound program and will eventually revert to private enterprise.

Mr. THOMPSON of New Jersey. Does not the gentleman think this should be consistent with the argument of those who say the Federal Government should get out of the business of direct grants wherever possible? Is it not a fact that here at least to some degree as never before there is an opportunity for people to help pay indemnity?

Mr. SCUDDER. The gentleman is absolutely right.

(Mr. THOMPSON of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Rhode Island [Mr. FORAND].

(Mr. FORAND asked and was given permission to revise and extend his remarks.)

Mr. FORAND. Mr. Speaker, I hope the House will agree to the motion to recede and concur in this amendment. As has been said already, this is insurance in which individuals will have an opportunity to participate.

Last year when this House passed a bill creating the Flood Indemnity Administration it was fully understood by everyone that this would mean that the Federal Government would have to

spend some money. But let us not forget that each time we have a disaster the Federal Government spends a lot of money, because we are all in the same position, we all feel full of sympathy for the individuals who are suffering these hardships.

I have said in the past and I repeat now, those of you who have not lived through a flood have no idea of what it actually is. I say to you it was my experience in 1955 to go through that terrific nightmare that struck my district so forcefully. I shall never forget it, and I hope I never again have the same experience.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I refresh the memory of the Members of the House that only within the past several weeks a number of places in Missouri were visited with floods, also Kansas and a wide area of Texas and Oklahoma, so this is not a sectional problem, it is a national problem. May I also call attention to the fact that the Federal Flood Indemnity Administration has set up a schedule of flood insurance rates covering 14 regions.

Mr. FORAND. There is absolutely no question about what the gentleman says. It is the truth. We must also keep in mind the fact that the insurance companies have shied away from this type of risk. There is nobody that wants to take this type of risk except Uncle Sam, who should in view of the fact that all of the taxpayers of the country, if they do not contribute through the flood insurance program to the relief of the people affected by floods, will do it through their contributions to the Red Cross or through the President's emergency fund. They will do it in one way or another. Yet, the poor individual who is hit is the person who has to rely on charity whereas here you give him the opportunity to recover at least a part of his loss through insurance for which he has contributed in part.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield.

Mr. BONNER. I want to join with the gentleman in his urging the House to adopt the Senate amendment and give the people of the Nation an opportunity to protect themselves with a form of insurance that private industry does not offer. No insurance company offers this kind of insurance. Furthermore, this is not a local problem. We have seen, recently, Texas as well as many other States suffering from devastating floods. I certainly hope the House will give the people of the United States an opportunity to have this insurance and to give this insurance program a trial. If it proves successful, then it can be turned over to the private insurance companies. If it is not successful, then we will cancel it out.

Mr. FORAND. The gentleman is absolutely correct in his observation, and I thank him.

Mr. BONNER. This is a fair request to make of the House.

Mr. FORAND. The point for us to remember is that the Congress recognized the necessity for this last year.

Mr. BONNER. Yes; and the House passed it by an overwhelming vote.

Mr. FORAND. That is correct. The House passed this bill last year. Now we have been spending money to set up this program. The program is about ready to go, but if the plan does not have blood in its veins, it just cannot live.

Mr. BONNER. This is simply providing something to implement the program.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield.

Mr. FLOOD. Unlike most of my colleagues, I would be interested in seeing a "Flood" in my district at least every second year.

Mr. FORAND. The gentleman has one all the time.

Mr. FLOOD. But apart from that point, in the northeastern part of Pennsylvania 2 years ago we were struck by a devastating hurricane and floods and many of the people there, based upon the action of the House last year, are anticipating the setup to execute this program. I certainly concur with the efforts of the gentleman in introducing the amendment.

Mr. FORAND. Before my time runs out, I would like to call the attention of the Members to a newspaper clipping which has just been handed to me. The news story is entitled "Tornado Drops Out of Driving Rain, Destroys 25 Homes in Texas Town." It is as follows:

TORNADO DROPS OUT OF DRIVING RAIN, DESTROYS 25 HOMES IN TEXAS TOWN

OLTON, TEX., May 24.—A sneak tornado smashed down out of a driving rain here today to destroy 25 homes—1 twister of more than 20 that boiled across west Texas.

A hundred homes were damaged by another at Tahoka.

State police reported 1 person missing and 3 injured here when the twister wiped out the Negro and Latin-American sections. Rubble was being searched tonight for more possible victims.

The tornadoes broke out shortly before noon and marched across upper Texas until late afternoon.

They raged from Amarillo, in the heart of the Texas Panhandle, as far south as Midland, 240 miles south of Amarillo.

In northcentral Texas—at Fort Worth and Denton—flash floods from rains, of more than 8 inches in places, drove additional homeowners fleeing for safety.

It was the 37th day of violent weather in Texas, which began April 18. An estimated 64 or more persons have died this spring in the State from tornadoes, floods and lightning. Property loss has been estimated as well in excess of \$100 million.

At Tahoka, 30 miles south of Lubbock, the tornado hit shortly after 1 p. m. At the small community of Wilson nearby it blew away 5 or 6 houses, and moved over Tahoka.

In Tahoka proper, it damaged about 100 structures, stripping off roofs, destroying garages and other light buildings. The storm at Tahoka was preceded by a deluge with hail the size of baseballs.

At Hereford, about midway between Lubbock and Abilene, an approaching tornado almost caused panic. Streets were cleared in 30 minutes. At least 4 traffic collisions occurred as residents scrambled for safety, and 1 man was injured in a traffic accident.

At Denton overnight rains of 8.02 inches sent Pecan Creek on a rampage. More than 50 families were driven from their homes.

Early today, the second deluge in 2 days soaked water-weary Fort Worth, forcing hundreds from their homes again. Police patrolled the area, rousing residents about 2 a. m. with sirens.

Mr. CHRISTOPHER. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield.

Mr. CHRISTOPHER. I compliment the gentleman on the fine statement that he has made. I want to tell him I am in utter accord with this legislation. However, I do not believe tornado insurance as such is included in this flood-control measure, but I am still for it because tornado insurance is purchasable now from the regular stock companies along with fire, lightning, windstorm, and so on.

Mr. FORAND. But the tornadoes bring the floods.

Mr. CHRISTOPHER. And losses from floods are not insurable.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

(Mr. MARTIN asked and was given permission to revise and extend his remarks.)

Mr. MARTIN. Mr. Speaker, I desire to speak in favor of the flood insurance amendment. It is one of the features of President Eisenhower's great humanitarian program to help the people. Floods and disasters respect neither individuals nor sections. They come unexpectedly to all people. We should all realize the necessity of doing something about this problem. Realizing the scope of recent disasters, the President would like to construct a program of aid. The President is in favor of this program because he believes it is not just spending more money, but rather he believes that through the establishment of a proper insurance program the country can save money when disaster comes and erases the savings of a lifetime.

Mr. CURTIN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. CURTIN. Mr. Speaker, I again desire to add my voice to those who are appealing for this \$14 million to implement the Federal Flood Indemnity Program.

Those devastated by the 1955 floods will not soon forget the terrible loss of life and property which resulted. We, the Congress, however, are now being charged with having forgotten.

Last year the Congress adopted the Federal flood indemnity insurance program. It may not be a perfect law, as has been claimed by some of its critics. However, what law is? Last year the memory of the devastating floods of 1955 was fresh in the minds of the Members of the Congress, and the decision was almost unanimous that something must be done to minimize these losses to citizens and to relieve the Government of heavy demands for the relief of flood victims. Appropriate legislation was enacted into law. No one can deny that the legislation then passed represents the first practical attempt to make flood insurance available at reasonable rates.

Under this program, people living in areas of flood danger are, for the first time, offered a practical approach to their ever present problem.

However, the program on the books is completely valueless without money to bring it into being.

I would like to repeat what I said before on this subject—this is not charity—it is merely giving to all people of this country the opportunity to partially protect themselves in time of flood—it gives them the opportunity to purchase needed insurance.

This is in accord with the general American pattern. The net effect might be to reduce demands upon the Government in flood emergencies and thus produce savings instead of added expenditures.

The sum of only \$14 million is asked at this time. Last year it was felt that there was a clear duty to provide this protection. Is such duty any less this year? Therefore, I support this appropriation item.

Mr. PATTERSON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. PATTERSON. I concur in the statements just made by the gentleman. I would remind the Members of the House that they only would have to witness a devastating flood once to realize the value of a piece of legislation like this. As far as the people are concerned, it is something that will help them. It is something that will help them to rehabilitate their business establishments and rebuild their homes. It is a program that will protect them in the future.

With many of my colleagues here in the House, I introduced flood-insurance legislation as early as January 3, 1956. I supported and fought for the bill that was subsequently enacted. This law must be given a thorough trial to afford our people some measure of protection against future floods.

In my district in Connecticut, we are exerting every effort to install flood-preventive works before the next storms strike. But the alarming fact we must not forget is that no flood-protective works are 100 percent efficient, and floods can and do occur somewhere in this country every season of the year. Furthermore, it requires years of engineering planning and construction to provide adequate flood-control protection. In the interim, flood insurance will afford some measure of protection.

Flood losses this year are already in excess of the damage caused in the whole of 1956, and the arrival of the hurricane season is awaited with great misgivings. Few sections of the country are completely secure from flood disaster, and it would be wrong to deny so many of our people the protection afforded by the Federal flood-indemnity program.

I have personally followed the step-by-step development of the flood-indemnity program, and I am firmly convinced that Commissioner Frank J. Meistrell's associates have formulated an economical and practical program that could be put into effect almost immediately if we today make available the operating funds

contained in this meager appropriations item requested at this time.

Under the proposed program, any person can buy Government insurance against flood loss on his home, firm, or business property up to prescribed amounts, at rates which may be from \$1 to \$2.50 per \$100 of coverage. The contracts will be sold and serviced by the private insurance industry.

I can think of no more economical way to operate this program than by using the personnel and facilities of the insurance industry on an actual cost basis. This is what the insurance industry has agreed to do, and it is convincing proof of their desire to make this new experiment in insurance a genuine success.

I earnestly implore my colleagues in the House to support this \$14 million appropriation item to implement the Federal flood-indemnity program.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. MAY. I concur in what my colleague, the gentleman from Connecticut, has said as well as the distinguished gentleman from Massachusetts and I concur with the gentleman from Massachusetts who has instituted this amendment.

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I attended the flood-control conference called by the President and, together with the Governor of the State of Pennsylvania, at the request of the President. I was much impressed with the need for the program. I concur in and support the position that the gentleman from Massachusetts has taken.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that people living in areas which may be flooded live in perfect terror and fear of being wiped out? A program such as this would do much to alleviate their loss.

Mr. MARTIN. I repeat, this legislation is a considered effort to help people help themselves. That is the heart of this program. It is not expected to be a continued expense upon the Government; it is an effort in time of need to give people a chance to have the insurance which would rescue them from disaster.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Florida.

Mr. CRAMER. I wish to ask a question of the chairman of the committee with regard to page 4 and amendments 11, 12, and 13 which were deleted in the Senate.

My question to the chairman of the Committee on Appropriations with regard to that is: I understand there is a Senate bill pending which would accomplish the same objective, S. 1740, and I understand that it is the belief of the Committee on Appropriations that the matter should be handled in that manner, and that already some 16 beneficial

companies have been taken care of; that there are 9 who do not have the benefit the other 16 already have.

Am I correct in understanding that, as a result of the Appropriations Committee's action they are covered in the Senate bill when it is enacted?

Mr. THOMAS. Yes; I think the gentleman is correct.

Mr. CRAMER. Mr. Speaker, the purpose of my interrogating the chairman of the Appropriations Subcommittee the gentleman from Texas [Mr. THOMAS] on the deletion of amendments Nos. 11, 12, and 13 under chapter V, Independent Offices, which "deletes language proposed by the Senate relating to the Federal employees' group life insurance fund" was to bring to light the effect this deletion has on many retired people who have group life insurance with beneficial associations that have not as yet been taken over under the Federal Employees' Group Life Insurance Act of 1954, as amended in 1955, some 9 of some 25 of such groups, and some 90,000 people who have no redress if Congress doesn't give some relief this year.

The deleted language eliminates \$180,000 to appropriate this amount for payment from the employees' life insurance fund expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations, a program entered into under the 1954 act but which must be abandoned so far as the remaining 9 associations with slightly over 90,000 policyholders thus put in jeopardy. Since the act of August 11, 1955, amending the 1954 act, the Commission has assumed the assets and liabilities of 16 such beneficial associations, leaving these 9 yet unassumed, and the Commission is without time—act expires August 17—or money to complete the job already embarked upon.

It certainly is unfair to have the United States undertake to assume the assets and liabilities of only a part of the beneficial associations and a part of the policyholders. Why should some 90,000 policyholders in some 9 associations be discriminated against? Congress is responsible as the results of the 1954 act for jeopardizing these associations by enacting the Federal Employees' Group Life Insurance Act, and recognizing this would be the case by passing the 1955 act giving some relief.

I brought out in debate that the Senate has had favorably reported to it S. 1740 by the Committee on Post Office and Civil Service and I trust that it will be passed promptly, this bill authorizing the continuation of the program under the 1955 act and protecting these 90,000 policyholders. My purpose was to call this situation to the attention of the House and to elicit from the Committee on Appropriations the thought that the amount was eliminated mainly because of the possible question that the spending of the money had not been sufficiently authorized and that the committee thus was not necessarily opposed to it in principle. I trust immediate action will be taken by the Senate, and I urge the House to act favorably on the matter as well.

(Mr. CRAMER asked and was given permission to revise and extend his remarks.)

Mr. MARTIN. Mr. Speaker, in conclusion, we have spent some money in perfecting this experiment and we are about ready to go ahead. Let us not stop now. Let us spend these few millions requested in the hope that it will save the country many millions later. People overcome by great disasters have a right to expect aid from their Government.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. PHILBIN].

(Mr. PHILBIN asked and was given permission to revise and extend his remarks.)

Mr. PHILBIN. Mr. Speaker, I realize full well the complex problems relating to the adoption of an adequate, equitable, flood-insurance bill.

When I first appeared before our very distinguished House Committee on Banking and Currency during the hearings on the original proposal, I expressed myself very definitely on the point that any worthwhile flood-insurance program would have to apportion the risk over the entire field on the principle of the war risk insurance laws. However, this principle was not accepted. On the other hand, another approach was adopted by the committee which worked long and zealously, and this one was finally adopted by the Congress last year.

I presume that no one, including the committee which labored long and diligently to perfect suitable legislation, would contend that the bill adopted was completely satisfactory or adequate. It was reported and passed with the distinct understanding that it was a beginning, so to speak, that would inaugurate a period of experimentation in order that with some experience in this difficult field a program could be finally evolved that would do the job that will have to be done in order to afford sufficient protection for flood-stricken areas.

I still adhere to my original concept that such a bill should be much broader in its coverage. I recognize the difficulties that are implicit in such a broad-gauged measure. First, it would be necessary, as I think it is with regard to all proposals of this kind, to write into the legislation safeguards for our private enterprise system. This Congress must be most zealous not to set up needless competition with the private companies. At the same time we have every reason to expect the cooperation of private companies and recognition on their part that the Nation is confronted with a major problem regarding flood insurance that must be solved by something more than the mere creation of makeshift provisions.

When we consider the large number of floods and natural disasters that occur every year in this country and the great damage and havoc that is wrought and the stultification of incentive and enterprise that frequently results as an aftermath, it seems shocking indeed that the Congress should turn its back during this session upon the flood-insurance legislation which we enacted during the last session. The proposed abandon-

ment of the flood-insurance program is neither wise, nor can it be logically justified on the grounds of economy or any other grounds. The few million dollars that are involved here in order to carry last year's program forward are of little or no consequence in the overall budget of over \$73 billion. In fact, the amount sought is negligible and petty as compared with huge sums we are spending abroad and at home for many causes far less worthy and certainly less urgent.

None of us can be sure of the degree of urgency that is involved in this legislation because great, fearsome, natural disasters, floods caused by violent sustained storms, tornadoes and other holocausts, protracted droughts, wind and sand storms, devastating fires, and other destructive natural phenomena would seem to be on the increase.

There are some who believe that the large number of severe storms, climatic phenomena, tornadoes, and the like that we have been having recently are attributable to current nuclear experiments, in fact, many things seem rightly or wrongly to be attributed to these man-made explosions designed to perfect substances of apparently almost infinite, global destructibility. Notwithstanding the assurances of the scientists and experts, many thoughtful American citizens are not persuaded that there is not some relation between nuclear explosions and recent natural disasters stemming from violent, torrential storms. I am not asserting that there is necessarily any relation between the two, because I have not had the opportunity to study the question at any great length, but the occurrence of so many of these holocausts serves vividly to bring forcibly to our attention the need for adequate Government organization to cope with them, and this includes not only flood insurance, but the adoption of other proposals improving our readiness and efficiency in handling these disasters which I have heretofore touched upon in the House and about which, unfortunately, in the broader sense, the Congress has not as yet taken affirmative action.

To be sure, we have made substantial provisions for relief and rehabilitation of distressed areas and on the whole these have been carried out by the Government. In the case of storms and disasters in my own district and area and in other areas, I may say with pride and gratitude that the Congress has acted to provide assistance and to inaugurate projects that will materially reduce, if not entirely eliminate, many future dangers. In my appearance before our distinguished House Appropriations Committee recently in support of additional budgetary implementation of existing projects, I was happy to note what seemed to me to be a commendable understanding of these problems and a co-operative spirit and purpose to further their solution. I have every reason to believe that pending legislation will appropriate sufficient funds to carry forward the urgent projects that have been commenced.

It is to the broader aspects that I am addressing myself, first, with regard to natural disasters, and, secondly, with re-

gard to so-called manmade disasters which may seem remote—and we hope they are and believe they will be—but which nevertheless are definitely within the range of possibility, however much we may seek to persuade ourselves to the contrary. In other words, it is to every eventuality, and not merely to some, that I direct the attention of the House, and this would include provisions for an overall, fully integrated, comprehensive program that would entail the creation of an adequate, ready organization that could be promptly mobilized both in its military and civilian components and rush speedily into the breach whenever the need arises.

I am convinced that Congress should consider these matters in the very broadest sense. I particularly urge the adoption of all pending appropriations that have been approved by the committee up to this time with respect to flood and water control and the implementation of the flood-insurance program in its entirety, so that we may go forward as heretofore authorized and planned with the proposed experimentation program that will point out the ways and means by which we can finally come to an effective solution.

Let us by all means continue to practice commendable economy which we so badly need today to insure the American people some relief from staggering burdens of taxation. But as we effectuate economy and efficiency, let us not be blind to the stern fact that we must achieve these desirable needs without paralyzing or impairing legitimate essential activities of government. Economy achieved at the expense of vital governmental programs would be merely an illusion and in the end would defeat its own purpose by stultifying the progress of the Nation and jeopardizing the security, well-being, and happiness of the American people. If we avoid irrational penury as well as extravagant spending, we will best be serving the paramount national interest.

The distinguished majority leader, my valued friend, Mr. McCORMACK, with his usual forward-looking approach, judgment, and ability, in an exceedingly meritorious, able, recent speech on the Federal Flood Indemnity Administration, has presented an unanswerable plea for the further implementation of the previously established flood insurance system. Our very able, much beloved, valued friend, the distinguished minority leader, Mr. MARTIN, is in strong support of flood insurance. The House voted last year to commence this most necessary program, only \$14 million is required to put the program into effect, if this sum is voted by the House existing plans can be put into operation immediately, the matter has been exhaustively studied and documented, the Government would not be competing with private insurance companies, Congress would be fully informed of the progress of the experiment so that, if necessary, perfecting action might be taken. These are the plain facts.

Many safeguards are contained in the bill to minimize the Government's potential liability. I allude to the limited

coverage of \$10,000 for single dwellings and their contents. The mere statement of this amount clearly indicates and establishes the strict limitations on Government liability.

I am in a position, personally, to testify on this phase of the question because as a consequence of the 1955 flood disaster in my district, one company is said to have spent about \$1 million to rehabilitate its plant and continue the employment of about 3,000 employees. Other companies spent very substantial sums for this purpose, and many of them really could not afford it. Many people lost everything. Flood insurance would greatly mitigate disaster, hardships, and damages.

Conditions are written into the act strictly limiting the Government's liability, the risks will be spread over a relatively broad field, no policy can be issued indiscriminately, and zoning provisions must be enacted by appropriate public bodies which will insure even greater restrictions upon Government liability.

The rating system which has now been devised is not permanently fixed, but will be revised and reshaped in accordance with actual experience.

Floods, tornadoes, great natural disasters are no respecters of section, States, areas, or persons. They strike anywhere without warning, they wreck indescribable havoc and damage to persons and property. They leave trails of tragedy, sorrow, privation, and extensive damage. They inflict a national loss as well as State and local losses.

They are happening so frequently these days that it must be, it inevitably will be, the duty of Congress to cope with them. Lip service is not enough. Hoping that they will not happen is a palpable delusion. They will happen and we cannot foresee where they will strike. Yesterday it was my district and State. Tomorrow it could be the district and State of any other Member of this House. Let us act before it is too late, and let us act in a way that will render maximum, organized, speedy, efficient, and economical help to suffering people who will need it so badly. No amount of clever argument can possibly obscure the true urgency for flood insurance. I hope and urge that the House will support this amendment to recede and agree.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Speaker, a few years ago when this legislation was under consideration by the House, we had in New England and on the eastern seaboard from Florida to Maine a territory which had suffered one of the worst hurricane seasons in our history. Following that the west coast, including the States of California, Oregon, and Washington, suffered some of the worst floods in their history. As a result of those disasters, appeals were made to Congress and money was appropriated to help in those areas both on the eastern seaboard and also in California, Oregon, and Washington because of the severe losses that were sustained.

At that time it was suggested this might be a regional problem that concerned only New England and the eastern seaboard or California, Oregon, and Washington. That no longer is true. In this present year \$200 million of damage has occurred because of floods. The President has designated certain Midwestern States as disaster areas because of the recent tornados and floods that have occurred. Especially in the Southwest, in Texas and other States, they have suffered more damage this year perhaps than they have in many, many years.

As the author of the amendment, the gentleman from Massachusetts [Mr. BOLAND] so well stated a while ago, this is not a \$5-billion program at all, although the Government is authorized to provide for coverage up to \$3 billion. It does not mean that the Federal Government is going to spend \$3 billion at all. It simply means they are going to offer this coverage and work in conjunction with the insurance companies, as a result of which the premiums will, we believe, cover the cost of such a program.

Mr. Speaker, the motion before us would restore funds to the Federal Flood Indemnity Administration and begin a program of flood insurance to offer protection to property owners throughout America.

As a member of the Committee on Appropriations, I have some close acquaintanceship with this appropriation request. And I would suggest to the membership that the main issue before us is more important than the start or failure of a system of flood insurance. The overriding question is whether we are going to keep our people forever dependent upon handouts and charity or whether—by this vote—we will finally give them an opportunity to pay something toward their own protection. It is as clear as that: charity versus an American system of insurance.

As things stand today your constituents and mine cannot buy flood insurance. Private companies won't sell any and until we appropriate some money to get the Government program going they cannot buy Federal flood insurance.

There are people all over this country today who wish they had an opportunity to put money on the line to protect themselves from the catastrophe of floods.

As I previously stated, to date this year Americans have suffered some \$200 million property damage from floods, according to the latest Corps of Engineers figures. The President has already declared areas in 11 States as flood disaster areas under Public Law 875. The States affected are Kentucky, West Virginia, Oregon, Virginia, Washington, Texas, Louisiana, Oklahoma, Idaho, Missouri, and Arkansas. Twenty other States have suffered flood damage of lesser magnitude this year.

This is hardly a sectional issue. I'm from New England. We haven't had a flood yet this year. Thirty-two other States have. This is a national problem.

The man who owns his own home, whether it be near the shore or in communities along the rivers which flow through the State, is a substantial mem-

ber of his community. His roots are established in that community. The taxes he pays to the community, the money he spends on family needs and utilities, go to the maintenance of that community. If through despair of ever being able to feel safe and secure from these damaging forces he pulls up stakes and goes elsewhere, the community, and each of its members, suffers to some extent.

Industry, whether it is of the small shop kind or a substantial manufacturer of goods, is the employer of thousands of people in the communities of our State. If the small shopkeeper becomes so discouraged that he will not endeavor to make a fresh start, or the stockholders who own the large manufacturing concerns decide that their investment must be protected by moving elsewhere, then the very lifeblood of the economic existence of the community is drawn off and the entire area withers. To my mind it is exactly this situation which a system of Federal insurance should be designed to prevent.

I recall vividly the situation in Providence, R. I., when hurricane warnings were raised. For weeks the economic life of the city was out of gear. The owners of businesses in the downtown area were vitally concerned with moving merchandise out of the reach of the waters which were expected to pour into the city. The feeling of frustration was terrific. The expressions of despair were many, and many times I heard men and women say they would never go through this experience again.

I have been told often by people in the insurance business that one of its greatest features is the peace of mind that it provides for the policyholder. With this thought I am in complete agreement.

Thousands of Americans today are relying upon charity and relief to repair or replace their homes, farms, and factories which were damaged by floods this year. They are hoping also that they will be able to deduct some of these losses from their next income-tax returns.

Neither is the Federal Treasury escaping any losses because of the lack of insurance. The 11 disaster areas are eligible for millions of dollars of Federal relief. Internal Revenue will feel the pinch when the next filing time rolls around.

Mr. Speaker, is this economy? Or is this any way for us to treat our constituents?

We are being asked today to start an experimental program that will protect millions of Americans from the sudden catastrophe of unexpected floods. It replaces no private enterprises existing today because there are none in this field. It will not establish a large Federal establishment because the Government will use the services of private insurance industry to sell and service these policies.

Although the Government is authorized to cover \$3 billion worth of property, this is not an expenditure. We believe premium income will substantially cover loss payments to property holders.

But this insurance will give Americans the opportunity to protect themselves from flood losses for the first time in history. I cannot think of a more equitable system.

I urge the restoration of flood-insurance funds.

(Mr. FOGARTY asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. LENNON].

(Mr. LENNON asked and was given permission to revise and extend his remarks.)

Mr. LENNON. Mr. Speaker, this is certainly not a political piece of legislation, it is not a partisan piece of legislation, it is not a sectional piece of legislation. The distinguished minority leader commented on the fact that the President wanted this legislation. May I say to all of those within my hearing today that I believe the people of America want this type of legislation and are entitled to it.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. LENNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. In all fairness, I think it should be stated that former President Truman recommended this type of legislation also.

Mr. LENNON. I thank the gentleman for his remark. We should not consider in any light that this is partisan legislation.

Let me say to those of you who are present that in October 1954 my congressional district suffered the greatest damage of any section of America by Hurricane Hazel. Twelve hundred buildings completely destroyed in 2 counties of my congressional district, 750 homes were more than half destroyed and damage ran into the millions of dollars.

May I say, Mr. Speaker, that this insurance is not now available in America at any cost, at any price that you may be able to pay. The legislation itself provides that by July of 1958 the States must enact ordinances that will set up flood-preventive measures in order that this insurance program may become a success. In July of 1959 the act provides that the several States who participate in this program must share a part of the subsidy or cost. The act now provides that the Government will pay 40 percent of the premium and the policyholder will pay 60 percent; but, after July 1959, the States must come in and share part of the expense. I think that is right.

Mr. MORANO. Mr. Speaker, the gentleman has made a fine statement and I want to compliment him on the statement he has made.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Speaker, I was just thinking, when they were talking about the terrible damage that had been

inflicted by these floods, that if we had had this insurance in vogue at that time it would not have been a \$2-billion or a \$3-billion but it might well have been a \$5-billion obligation on the part of the Federal Government.

Mr. Speaker, the \$14 million written into the independent offices appropriation bill by the other body was given full consideration by our Subcommittee on Appropriations in hearings held some months ago.

The Housing and Home Finance Agency at that time asked for a \$50-million appropriation, of which \$14 million, they felt, would be necessary to pay private insurance companies for writing the first year's business.

They had held many conferences with insurance organizations who were quite willing to cooperate, and out of those conferences it was mutually agreed that it would require about \$14 million to pay the agents and the expense of putting a year's business on the books.

Now, inasmuch as the Housing and Home Finance Agency would be by law compelled to pay a subsidy of 40 percent of the cost of the premium for the insured, it was estimated that the Government's part of the subsidy for the first year would run \$36 million. This would cause the Government a total loss the first year of \$50 million.

The Members of our committee, based on the facts brought out in the hearings, felt it was not wise to approve the flood-indemnity-insurance program, which would put the Federal Government into the insurance business in a big way on a plan, we felt, from an economic standpoint, just could not be successful.

The Housing Administrator, Mr. Cole, and his assistants explained that the premium rates on the insurance risk written would vary somewhere between \$1.50 and \$13.50 a hundred on premium rates.

I believe they testified that they thought the average might be around \$3 per hundred. Even though the Government would be committed to pay 40 percent of all such insurance premiums, we felt that the premiums would still be so high that enough business could not be written to justify the amount of money the Government would risk, and the danger of tremendous losses.

I think we know that successful insurance companies, which have built up a tremendous business over 100 years past, of necessity, had to follow a policy of scattering their risks so widely that a great deal more premium money would come into the companies in excess of the losses they would have to pay out. All of these companies have used great care in selecting their risks. Where the risk is too great, they will not write it because, consequently, the losses would be too great.

Throughout the years, the best insurance brains in the Nation have consistently refused to write flood indemnity insurance in any substantial volume because they felt the risk was too dangerous.

Now, the Government proposes to go into this nonselective bad risk insurance, and realizes it is so bad that they will have to start out with taking a loss of

50 percent of the premiums involved of the insurance that is written. In addition to that, they have to hire the insurance companies to go out and get the business, and put it on the books, and that is what this \$14 million requested in this bill is for. The insurance companies take none of the risk whatsoever. In addition, if we approve this \$14 million, I feel quite sure the Housing Agency feels they can go direct to the Treasury and get the other \$36 million which we will have to spend in paying 40 percent of the cost of the premiums written.

So, we lose on the first year's business \$50 million, and if we get started we may lose over \$5 billion in a year in attempting to do the unheard of in indemnity insurance. By the "unheard of" I mean—and this is the greatest objection to this program—that we propose to insure property against flood danger—all of which is the very worst possible risk that could be taken, and none of the risk could be graded as fair, or desirable.

We can only insure the people living along the valleys and streams who are willing, with the assistance of the Government, to pay high insurance rates against ultimate disaster that they fear and have reason to believe will follow.

In other words, no high-grade minimum-risk insurance will be written. All will be poor risk, and undesirable from an economic standpoint.

We just cannot afford to put the Government in business and add this expense, with the people demanding that the Government get out of business and that we cut the cost of appropriations.

A Member with long service in the House, in discussing this privately said to me the other day, "If we go into this flood indemnity business in a big way, it could, added to all the other pressing fiscal problems, wreck the financial solvency of our Government."

Because of these objections and many others, we felt and advised the Housing and Home Finance Agency to use \$325,000 in making a further study of this problem in the hope of coming up with a plan that would offer some possibilities of success without too great cost to the Government.

We felt that the present plan was too dangerous to adopt, but we wanted to give the Housing and Home Finance Agency an opportunity for further study to see if they could present a more acceptable plan to the committee at a later date.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I do not want anybody to feel that I have less sympathy than somebody else for those who are in trouble over floods. But I want you to get a little idea of what this would mean. Under this bill houses may be insured for up to \$10,000 at a cost of approximately \$300 a year. If you buy fire insurance the premium for \$10,000 under ordinary circumstances, on individual houses, would only be about \$60 for 3 years, or \$20 a year. This bill is set up so that the Federal Government pays the 40 percent commission to the

agents. That is why they want this money.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BOLAND. I do not think that is quite accurate.

Mr. TABER. Oh, yes.

Mr. BOLAND. That the Federal Government pays 40 percent commission to the agents?

Mr. TABER. Forty percent commission, on these premiums, goes to the agents. That is the practice.

Mr. BOLAND. I still insist the gentleman is not correct.

Mr. TABER. I did not make the statement without checking.

Mr. BOLAND. Will the gentleman yield for a correction?

Mr. TABER. The gentleman has had the opportunity for that. I do not think I can yield further, because I do not have sufficient time. Here is the picture. If we go into this and get it started and provide the first money for it, it rolls. And what will it roll to? Five hundred million a year for 6 years; and in addition, if the President so elects, \$2 billion more or \$5 billion over all, to come out of the Federal Treasury.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MORANO. I understood that this bill provided that the Government would pay 40 percent of the premiums, not 40 percent commission to the agent.

Mr. TABER. That is what the commission to the agent is. I did not make that statement without finding out.

Mr. MORANO. I understood the commission to the agent would be 9 percent and the Government would pay 40 percent of the premium.

Mr. TABER. That is the situation, and frankly, I do not want to get into a \$5 billion proposition. This authorizing bill was put through the House without any rollcall; most of the Members did not know it was up. That was, I believe, at the close of the last session. I do not like to have these bills go through like that without sufficient consideration. I want the membership of the House to know what is going on. Now we have that situation. When you get into this, you are getting into the neighborhood of \$5 billion of expense. If you do not stop it now we are in over our heads. The Government guarantees all the losses on these things, and the money can come right out of the Treasury without any appropriation or any review. The whole thing is wide open just as soon as we pass this appropriation to start the thing rolling.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from New York rightly brought out that to insure a \$10,000 risk there would be a premium of approximately \$300.

Mr. TABER. For 1 year.

Mr. H. CARL ANDERSEN. Would that not make it practically impossible for anybody even to insure under this

Act unless he felt that his risk was so tremendous that he almost was forced to do so?

Mr. TABER. There would not be any question about that. I am afraid there would not be enough policies sold so that there would be a possibility of getting in money enough in premiums to pay the losses we would have. I do not see how it could be done.

When these people were before the Independent Offices Appropriations Committee my understanding is that they did not have a real, good, definite program, after having had \$500,000 available to them for 7 or 8 months. On top of that, they had spent only about \$150,000 when they were up before the committee, and they had \$300,000 left. With that they could get up a real program, instead of coming in here without a definite, positive program.

Mr. CANNON. Mr. Speaker, I yield myself 5 minutes, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, let there be no misunderstanding about it, this is one of the most dangerous amendments that has been offered in this session. It does not involve mere millions of dollars, it involves billions of dollars.

One Member speaking here just now told us that in one downpour alone, in his district, 1,200 houses were washed away. Multiply that by the storms annually and by the 435 congressional districts in the Nation and make an estimate. Or consult the daily newspapers through the year and you will see that it is merely a matter of a comparatively brief time before a bill will be presented to the Federal Treasury for payment, and every taxpayer in the Nation will start digging up the coin to make up the deficit.

All over the country areas subject to inundation and shouldering their own responsibilities for a hundred years will be taking a free ride and the Government and the taxpayers will be holding the bag and paying the bill.

The title of this bill ought to be changed. It ought to be captioned, "A bill to increase the taxes of every Federal taxpayer in the United States," for that is exactly what it will do if this amendment is adopted. It will increase taxes by billions of dollars.

Mr. Speaker, nearly every annual budget that comes up here has some damfool estimate in it that throws all former figures completely out of balance. And when we ask "How in the world is it that this budget is so out of all proportion to what it was last year?" The answer is that Congress passed some new law authorizing appropriations for some new project.

Thereupon everybody joins in apostatizing the legislative committees and demanding that these new authorizations expanding and mushrooming the costs of government when we ought to be reducing and contracting the expenses of government should be stopped at the source.

And here we are at the source, Mr. Speaker. If left in here this amendment will spiral and pyramid and expand, and all hope of tax reduction will be further away than ever. This amendment ought to be cut off right behind the ears. Let us right here, right now, lean a few props up against the tottering doors of the United States Treasury instead of pouring in more nitroglycerine behind the few hinges still hanging in futile effort to keep out the raiders.

But, Mr. Speaker, we sit here in wonder and astonishment this afternoon listening to these gentlemen who have been making the welkin ring all this session with screams to keep the Government out of business. On all and sundry occasions, in season and out of season, they march into this well vociferously demanding that we keep the Government out of business. And now these same identical gentlemen are demanding that we put the Government in business—the insurance business.

The country is literally littered with insurance companies. There is an insurance agent around every corner waiting to waylay you. You can insure your house, your life, your wife, your automobile, and what have you. You can insure anywhere, anytime, anything—except one thing. You cannot insure against flood. Why not? Because the insurance companies are too smart. They know they are certain to lose. Those whose property is subject to inundation will take out a policy. Those not subject to inundation will not take out a policy. It is "tails I win, heads you lose." There is no possible way to break even. So they start looking around for a fall guy. And who but Uncle Sam and the taxpayer. Extra copies of the roll call on this coming vote ought to be printed and distributed to taxpayers. And then when they hear some knight in shining armor caterwauling about keeping the Government out of business just before the November election let them run down the list and see if he voted on June 18, 1957, to put the Government in the insurance business.

Someone insists we ought to go into the insurance business as an experiment. They are unwilling to abide by the experience of every insurance company in the country. The insurance companies which have tried it have wound up with all the experience and none of the money.

And Uncle Sam has already tried it. The Government has tried every possible combination on crop insurance. I started it when I was chairman of the subcommittee on agricultural appropriations. We worked for years on it but the farmers who knew they would have a crop failure insured and the farmers who knew they would not have a crop failure would not insure. When the drought at seeding time indicated certain failure the farmers took out a policy. And after a late flood farmers would drive in a wet field and scratch up a little dirt and throw around a little seed and collect the insurance. As usual the Government got the experience and the farmer got the money. To the desperate farmer, robbed and exploited by the rest of the

Nation who took his hard-earned produce away from him at less than cost of production it was a case of the blind sow finding an acorn once in a while.

It is not an experiment. It has already been weighed in the balance and found wanting. It cannot fill any legitimate need in the economic life of the country. It puts the Government back into business—a business doomed to certain failure. It expands the cost and function of Government with no compensating advantage. It was defeated here in the House when it was first on the floor in the original bill.

To all my friends whose hearts are bleeding for the downtrodden taxpayer, may I suggest that here is at last an opportunity for you to give a reason for the faith that is in you. Here is a chance to ride horse and dragoon to the rescue of the taxpayer—not by eloquence and perfervid oratory—not by heroic platform declaration or challenging release to the press, but by your vote. By your vote to defeat this amendment and keep down taxes and keep the Government out of business.

Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. THOMAS].

Mr. WAINWRIGHT. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

(Mr. WAINWRIGHT asked and was given permission to extend his remarks following Mr. CANNON.)

[Mr. WAINWRIGHT addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. BYRD. Mr. Speaker, I rise in favor of the motion that the House recede from its disagreement to the amendment of the Senate numbered 15 and agree to the same, in order to provide the sum of \$14 million, to remain available until expended, for operating the Federal flood insurance program. The adoption of this motion will signal the initiation of the Federal flood insurance program. In so doing, we reassure our citizens that the Congress was sincere when it passed the Federal Flood Insurance Act of 1956 and held out to the public at least partial security from flood damage.

In 1955 flood losses in our Nation cost about \$1 billion. The Congress determined that some legislative program was necessary to minimize the losses suffered by citizens in such disasters, as well as to relieve the amount of direct Federal and State aid for relief, rehabilitation, and charity. In this regard, permit me to direct the attention of our members to Public Law 875 of the 81st Congress, which authorizes the President to determine when certain catastrophes may be classified as major disasters. Public Law 875 provides that the governor of the State involved must request that the law be invoked and give assurance of the use of a reasonable amount of funds by the State or local governments for relief. Since the enactment of Public Law 875 in 1950, the appropriations thereunder have mounted to over \$90 million.

Now for the first time our citizens have an opportunity to contribute to their protection. The reduction in flood losses in 1956 and the present economy

wave cannot remove our responsibility to the public who overwhelmingly requested the Federal flood insurance program.

Unless the House takes action now, the Congress must tell the American people—the small property owner, the small-business man—that after almost 1 year we are not yet ready to proceed with the program. At the same time the Federal Flood Indemnity Administrator has testified that the Federal flood insurance program is ready to be put into operation promptly.

It should be made clear that the item of \$14 million is for operating expenses of the program and is not required for the payment of salaries to employees of the FFIA staff. The amount is required to cover the expenses of insurance companies for issuing and servicing policies, underwriting, accounting, and statistical work on behalf of the Government. In other words, the item of \$14 million is for the express purpose of providing the operating expenses to the private insurance companies that will write the contracts, will sell the insurance, and adjust the losses.

The objections that have been offered to appropriating this amount are easily overcome. If anyone is of the opinion that this program means the Government is getting into the insurance business, let us dispel that fear by pointing out that the Government is prohibited from so doing by the plain language of section 12 (a) of the Federal Flood Insurance Act of 1956, which provides as follows:

No insurance or reinsurance, or loan contract, shall be issued under the provisions of this act covering risks against which insurance is available on reasonable terms from other public or private sources.

There certainly cannot be objection to the fact that a portion of the requested amount is for expenses to be paid claim adjusters for their services in handling the settlement of claims. The payment of compensation for services rendered by outside specialists cannot be criticized. Such practice is not without precedent in the administration of other Federal programs. On the other hand, it means that the Government will not be called upon to recruit a large staff and to employ claim adjusters whose services would, of course, only be needed if and when losses should occur.

It is a sad reflection upon the House when we realize that by rejecting this item we are, in effect, nullifying our action last year when we passed the Federal flood-insurance law. That legislation was enacted only after days and days of extensive hearings and after lengthy studies and surveys were submitted. The insurance industry itself has assisted and cooperated in the organization of the Federal Flood Indemnity Administration. Rates have been established for each major river basin in the United States, and these rates have been reviewed and approved by the industry itself. It is my understanding that the program includes adequate safeguards that will maintain a proper balance between premium and loss reserves. Admittedly, then, there

is no justification to the argument that additional studies are needed.

Obviously, the Federal flood-insurance program is not designed to benefit big business, which can well afford the high premiums that would necessarily be required by private insurance companies for insuring risks of this nature. The adoption of this motion, however, will reassure thousands of citizens, such as our small-business man and the ordinary homeowner, that the Congress is not abandoning them and leaving them at the mercy of Federal aid in the form of charity.

My State of West Virginia was stricken by the severe floods early this year. Parts of West Virginia, Virginia, and Kentucky, were declared areas of major disaster by the President. Pursuant to the authority under Public Law 875, the President has allotted to these States the sum of \$2.4 million for flood relief. On May 29, 1957, Gen. Alfred M. Gruenther, president of the American National Red Cross, forwarded to me the final field report summarizing the Red Cross relief activities in these three States. That report showed that, while a total of 17,469 families were affected by the floods, 9,512 families received assistance. This assistance involved expenditures of \$3,963,231.

These figures make it evident that, if we do not appropriate these necessary funds, we cannot rightly say that we are effectuating a saving. As a matter of fact, we are disregarding the will of our people who are eager to contribute to their own protection. By making possible such contributions, the net effect might well be to reduce Government expenditures in flood emergencies and, thus, provide a real savings to the American taxpayers.

In view of these facts, I sincerely hope that the motion will be adopted.

Mr. THOMAS. Mr. Speaker, let me talk briefly to both sides of the aisle on this problem. I do not know too much about it, but I have been studying it hard, I assure you, and if you know anything much about this bill, you are much better than I am because I do not think you can know much about it in the shape that it is in. There is nothing partisan about this subject matter. This has been tried before and it has been studied before. Read the report from that able committee headed by the able gentleman from Arkansas [Mr. NORRELL] in 1951 when we had the tremendous flood all through the Middle Western States along the Missouri River, when that one flood alone cost \$2,500,000,000 in damages. There is nothing partisan about it and there is nothing new about this subject. We have had floods for the last 100 years in this country, and I am sure and I am afraid that we will have them in the years to come regardless of what we do or do not do here today. Floods are horrible and they are heart-breaking, but still we know we are going to have them because we have had them in the past. There is no telling what this program will cost.

Read the report I referred to a while ago, the report back in 1951 when they had all the top private insurance com-

pany executives in American before the committee. Who are we to disagree with those gentlemen who with their predecessors have been in the insurance business for from 50 to 100 years. They said, "Gentlemen, it will not work. It cannot work. It is not a proper field for insurance because nobody is going to buy such insurance unless he is reasonably certain that he is going to suffer damages." And, yet, we are putting our expert opinion up against the opinions of those gentlemen. Does it not really make us look a little bit foolish? Those representatives of the insurance companies say it will not work and that it is too expensive. I have figured out that if we had had this insurance in effect in 1951 when we had that horrible flood throughout Missouri and the other States—if we had had only one-fifth the coverage allowed under this act—we would have lost in excess of \$450 million at that time. Think about it. Who is going to pay for that? Your taxpayers and mine are going to pay the bill.

My country is under water, too; a lot of it. Some part of it has been getting under water for a good many years, and I am sure that for a good many years in the future it will continue that way. Yet you do not want to listen now.

Our Hoover Commission friends said, "Get our Government out of business. Get us out of business." I can hear them hollering now all the way from Houston up here about getting the Government out of business; and my friends from Massachusetts and South Carolina can hear it, too; yet here we are about to embark on a business where the probabilities are the loss will exceed \$500 million a year. If anybody can convert that statement, he is all right in my estimation.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to my distinguished friend.

Mr. BOLAND. I do not like to dispel the argument of the gentleman from Texas, because he is one of the most persuasive of men in the House. He kills us with kindness most of the time but winds up killing the bill.

The testimony before the committee was that there would be no loss totaling the amount the gentleman has mentioned.

Mr. THOMAS. The gentleman's guess is as good as mine. He said the loss will not be large. I say it will be. Certainly the gentleman would not say there would be no loss under the bill.

But let us get back to the matter I was talking about, getting the Government out of business.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. Just one minute, are you going to have the Government pay for forest-fire insurance? We have had some terrible ones. Are we going to put the Government in drought insurance? We have had more droughts in the last 7 years than we have had floods. Those droughts have cost many States a lot of money, and my friends out there in the drought area certainly are as much entitled to relief as those in the flood

areas. And some of my friends out on the Pacific coast have had some earthquakes. Are they not entitled to subsidized earthquake insurance, too?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I appreciate the gentleman's yielding to me. I have worked rather hard on this.

Mr. THOMAS. The gentleman certainly did.

Mr. WHITTEN. Here is what I would like to say for the record. The evidence is that most of the damage in these floods come from people who push closer and closer down to the water level. If this bill is passed where the Government would pick up the check, you would find the people getting into the more risky areas day after day, adding to the problem the gentleman has mentioned.

Mr. THOMAS. I thank the gentleman very much. He is 100 percent correct.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman now yield?

Mr. THOMAS. I must yield to my friend from New Jersey.

Mr. THOMPSON of New Jersey. Does the gentleman claim that a Government insurance program would not be putting the Government in business?

Mr. THOMAS. Does the gentleman deny that?

Mr. THOMPSON of New Jersey. It would be putting them in business.

Mr. THOMAS. It might be a give-away business.

Mr. THOMPSON of New Jersey. What has the gentleman to say about war insurance, when we gave each man a \$10,000 policy during the war when no insurance company would write such a policy as that?

Mr. THOMAS. We had 20 million men under arms at that time. There is no more connection between that and this form of insurance than there is between daylight and dark.

Mr. THOMPSON of New Jersey. How much is twenty million times ten thousand?

Mr. THOMAS. Mr. Speaker, this item ought to be deleted, this \$14 million. Do you know what the request was when this first came to us? It was \$100 million. Then they called a second confab, and do you know what their second request was? \$50 million. Now my friends take a third bite at it and they set the figure at \$14 million. If you give them \$100, you might just as well give them \$100 million, because they will be back here next Monday asking for the remainder.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PILLION. Whether we invest \$14 million or \$500 million, will we be able to save one life or avoid one tornado or one hurricane, or minimize the loss in any way?

Mr. THOMAS. May I thank the gentleman for bringing that point out. We have had these terrible floods in the past and will have them in the future, whether

we have this program or do not have it. It is not going to save any lives.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. That is not the issue, the matter raised by the gentleman from New York. It is not a question of saving lives; it is a question of saving people who are in these areas from disaster. It gives them an opportunity to get on their feet.

Mr. THOMAS. A gentleman stated a while ago that if adopt this program we are going to save the money that the Government is now spending for disaster relief. There never was a more sincere but a more erroneous statement made on the floor than that, because we appropriate money every year, \$20 to \$25 million for the President, regardless of which party he belongs to, for relief purposes. How is that money allocated? Is it allocated to aid a particular State? The President must first examine the area in a State and designate that as a relief area. Then the money goes to that particular State and that State allocates the money, not to A, B, or C, but allocates it on a community basis. Let us get this point straight. The act is so defective that the State and the counties and the political subdivisions under it cannot get one red 5-cent piece. Does anybody challenge that?

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Did not I hear the gentleman in his committee recommend some funds for this organization to go ahead with the program?

Mr. THOMAS. Did we or did we not?

Mr. CANFIELD. Did not the gentleman recommend some fund, the gentleman and his committee?

Mr. THOMAS. No.

Mr. TABER. If the gentleman will yield to me, we did carry an appropriation last year of \$500,000, of which \$300,000 is left.

Mr. THOMAS. About \$175,000 now.

Mr. CANFIELD. Did not the gentleman recommend that when he last appeared before the House?

Mr. THOMAS. I think you have \$175,000 left to study it. Let them study the matter and get these horrible conflicts out of the way.

Do you know what this act does? It is possible to have \$5 billion in insurance outstanding at one time. It is possible for the Administrator to go to the Treasury and bypass the Congress and get \$500 million. If the President says, "O. K." he can go back without coming to the Congress—get this, without coming to the Congress—and get how much more, do you know?

Mr. CANFIELD. No, I do not know.

Mr. THOMAS. Any amount, five, ten or fifteen million dollars—think of it—without the Congress ever saying one thing about it.

Mr. CANFIELD. The gentleman's committee is keeping the organization in business.

Mr. THOMAS. Mr. Speaker, I ask for a vote now. We have debated this matter extensively. The amendment ought to be voted down. If you give them \$14 million they are in business and they will be back here in less than 10 days looking, and your guess is as good as mine, for five to one-hundred million dollars more.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California?

Mr. JACKSON. I want to ask a question. Last summer my district in California suffered from a disastrous fire that swept through the mountains out there. Many homes were wiped out, homes which could not be insured because of their location. Now, the analogy is complete. There is no difference between one of those homes in those mountains and a place that cannot be insured. It is only one short step from flood insurance to fire insurance to drought insurance and to other forms of insurance.

Mr. THOMAS. If your people are entitled to flood insurance they are entitled to fire insurance.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I think I can say to the membership of the House that flood insurance is not generally available to the public throughout this Nation. There is not a Member here who advocates this program who would want this program if that insurance were available, but flood insurance is not available. Fire insurance is available all over the Nation.

Mr. THOMAS. Mr. Speaker, the reason flood insurance is not available is that the experience of these people who have been in the business for a hundred years shows it will not work. Now, if it would work, it would be available.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Tennessee.

Mr. EVINS. I should like to point out that in addition to the fund which the chairman has indicated—the President's emergency fund—there is also available the Federal civil defense disaster relief fund through which aid can be given and has been promised; also the Red Cross goes into areas where they have these particular disasters; also there are available assists from the Corps of Engineers, and the States and the municipalities, so that when flood disaster strikes there is always an abundance of aid made available from various sources without the need of the Congress subsidizing insurance companies for embarking on a new program.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. TABER. A vote of "nay" on this motion to recede is a vote to reject this operation.

Mr. THOMAS. And I hope everybody votes "Nay."

Mr. GREEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Pennsylvania.

Mr. GREEN of Pennsylvania. I do not see how you can compare fire insurance with flood insurance. Anybody can buy insurance against fire, so how can you talk about fire insurance?

Mr. THOMAS. The gentleman was talking about forest fires in his section where you cannot buy insurance because it is too expensive and the people would lose money on it.

Mr. Speaker, I ask for a vote.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House recede from its disagreement to the amendment of the Senate No. 15.

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 95, noes 124.

Mr. BOLAND. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 186, nays 218, not voting 29, as follows:

[Roll No. 115]

YEAS—186

Addonizio	Forand	O'Brien, N. Y.
Albert	Fountain	O'Konski
Alexander	Frelinghuysen	O'Neill
Anderson,	Fulton	Osmer
Mont.	Gathings	Passman
Anfuso	Gavin	Patman
Aspinall	Gordon	Patterson
Auchincloss	Granahan	Perkins
Avery	Gray	Pfost
Baldwin	Green, Pa.	Philbin
Baring	Gubser	Porter
Barrett	Hagen	Price
Bass, N. H.	Hale	Prouty
Bates	Hardy	Rabaut
Beckworth	Hays, Ark.	Rains
Bennett, Fla.	Healey	Reece, Tenn.
Bennett, Mich.	Heseltun	Reuss
Boggs	Hoeven	Rhodes, Pa.
Boland	Holland	Rivers
Bolling	Holmes	Robison, Ky.
Bonner	Jarman	Rodino
Breeding	Jonas	Rogers, Colo.
Brooks, La.	Jones, Ala.	Rogers, Mass.
Broomfield	Karsten	Rooney
Brown, Ga.	Kearns	Roosevelt
Burdick	Kee	Sadlak
Byrd	Kelley, Pa.	Santangelo
Byrne, Pa.	Kelly, N. Y.	St. George
Canfield	Keogh	Saund
Carnahan	King	Scott, N. C.
Carrigg	Kitchin	Scott, Pa.
Celler	Kluczynski	Scudder
Chamberlain	Lane	Seely-Brown
Chelf	Lanham	Shelley
Christopher	Lankford	Shuford
Chudoff	Lennon	Slominski
Clark	Long	Sikes
Corbett	McCarthy	Siler
Cretella	McCormack	Simpson, Ill.
Curtin	McFall	Sisk
Curtis, Mass.	McIntire	Smith, Miss.
Dawson, Utah	Macdonald	Staggers
Delaney	Mack, Ill.	Steed
DeLay	Magnuson	Sullivan
Dempsey	Martin	Teller
Denton	May	Thompson, La.
Devereux	Meador	Thompson, N. J.
Dingell	Morrow	Trimble
Dixon	Metcalf	Udall
Dollinger	Miller, Calif.	Ullman
Donohue	Miller, Md.	Van Zandt
Dorn, N. Y.	Montoya	Wainwright
Doyle	Morano	Watts
Durham	Morgan	Wharton
Eberhart	Morris	Whitener
Edmondson	Morrison	Widnall
Elliott	Moss	Wigglesworth
Engle	Moulder	Wright
Farbstein	Multer	Young
Fasell	Natcher	Zablocki
Fenton	Nicholson	Zelenko
Flood	Norblad	
Fogarty	O'Brien, Ill.	

NAYS—218

Abbott	Gary	Minshall
Abernethy	George	Moore
Adair	Grant	Mumma
Alger	Green, Oreg.	Neal
Allen, Calif.	Gregory	Nimtz
Allen, Ill.	Griffin	Norrell
Andersen,	Griffiths	O'Hara, Ill.
H. Carl	Gross	O'Hara, Minn.
Andrews	Gwinn	Ostertag
Arends	Haley	Pelly
Ashmore	Halleck	Pilcher
Ayres	Harden	Pillon
Bass, Tenn.	Harris	Poage
Baumhart	Harrison, Nebr.	Poff
Becker	Harrison, Va.	Polk
Beicher	Harvey	Preston
Berry	Haskell	Radwan
Betts	Hemphill	Ray
Blatnik	Henderson	Reed
Blitch	Herlong	Reese, Kans.
Bolton	Hess	Rhodes, Ariz.
Bosch	Hiestand	Riehlman
Bow	Hill	Riley
Boyle	Hoffman	Roberts
Bray	Hollifield	Robeson, Va.
Brooks, Tex.	Holt	Rogers, Fla.
Brown, Mo.	Horan	Rogers, Tex.
Brown, Ohio	Hosmer	Rutherford
Brownson	Huddleston	Saylor
Broyhill	Hull	Schenck
Budge	Hyde	Schwengel
Burleson	Ikard	Scrivner
Bush	Jackson	Seiden
Byrne, Ill.	James	Sheehan
Byrnes, Wis.	Jenkins	Sheppard
Cannon	Jennings	Simpson, Pa.
Cederberg	Jensen	Smith, Calif.
Chenoweth	Johansen	Smith, Kans.
Chiperfield	Johnson	Smith, Va.
Church	Jones, Mo.	Smith, Wis.
Clevenger	Judd	Spence
Coad	Kearney	Spencer
Cole	Keating	Stauffer
Collier	Keeney	Taber
Colmer	Kilburn	Talle
Cooley	Kilday	Taylor
Cooper	Kilgore	Teague, Calif.
Coudert	Kirwan	Teague, Tex.
Cramer	Knox	Tewes
Cunningham,	Knutson	Thomas
Nebr.	Krueger	Thompson, Tex.
Curtis, Mo.	Laird	Thomson, Wyo.
Dague	Landrum	Thornberry
Davis, Ga.	Latham	Tollefson
Davis, Tenn.	LeCompte	Tuck
Dennison	Lesinski	Utt
Derounian	Lipscomb	Vanik
Dies	McCulloch	Van Pelt
Diggs	McDonough	Vinson
Dooley	McGovern	Vorys
Dorn, S. C.	McGregor	Vursell
Dowdy	McMillan	Weaver
Dwyer	McVey	Westland
Evlins	Mack, Wash.	Whitten
Fallon	Madden	Wier
Feighan	Mahon	Willis
Fino	Malillard	Wilson, Ind.
Fisher	Marshall	Winstead
Flynt	Mason	Withrow
Ford	Matthews	Wolverton
Forrester	Michel	Yates
Frazier	Miller, Nebr.	Younger
Friedel	Miller, N. Y.	
Garmatz	Mills	

NOT VOTING—29

Andresen,	Coffin	McIntosh
August H.	Cunningham,	Machrowicz
Ashley	Iowa	Murray
Bailey	Dawson, Ill.	Powell
Baker	Hays, Ohio	Scherer
Barden	Hébert	Walter
Beamer	Hillings	Williams, Miss.
Bentley	Holtzman	Williams, N. Y.
Bowler	Kean	Wilson, Calif.
Boykin	Loser	
Buckley	McConnell	

So the preferential motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Murray against.
 Mr. Holtzman for, with Mr. Loser against.
 Mr. Walter for, with Mr. Scherer against.
 Mr. Bailey for, with Mr. Kean against.
 Mr. Buckley for, with Mr. Williams of New York against.
 Mr. Dawson of Illinois for, with Mr. Hillings against.

Mr. Machrowicz for, with Mr. McConnell against.

Mr. Powell for, with Mr. Beamer against.
 Mr. Ashley for, with Mr. Bentley against.
 Mr. Coffin for, with Mr. Williams of Mississippi against.

Until further notice:

Mr. Bowler with Mr. Cunningham of Iowa.
 Mr. Hays of Ohio with Mr. McIntosh.
 Mr. Barden with Mr. Baker.
 Mr. Boykin with Mr. Wilson of California.

Messrs. BOYLE, RHODES of Arizona, and YOUNGER changed their vote from "yea" to "nay."

Messrs. PATMAN and HAGEN changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Mr. TABER. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this matter may have permission to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: On page 11, line 14, insert:

"OFFICE OF THE SECRETARY

"Acquisition of strategic minerals

"For an additional amount for 'Acquisition of strategic minerals', \$30 million."

Mr. CANNON. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment.

The Clerk read as follows:

Mr. CANNON moves that the House insist upon its disagreement to the amendment of the Senate No. 17.

Mr. ENGLE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. ENGLE moves that the House recede from its disagreement to the amendment of the Senate No. 17 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: "Chapter VI, Department of the Interior, Office of the Secretary, acquisition of strategic minerals. For an additional amount for 'acquisition of strategic minerals' \$10,000,000."

Mr. CANNON. Mr. Speaker, I ask for a division of the question.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the amendment before us calls for \$10 million to continue the subsidy on tungsten. Now, the situation is this: The Congress provided for a stockpile, and we have gone ahead and built up that stockpile, and we have now reached the point where we have enough tungsten on hand to last for 20 years if we had an extreme use of the metal in case of hostilities.

That is the kind of a situation we are up against. The question is, Should we longer continue a subsidy on tungsten.

Now, for my own part, I cannot go along with that operation, because I do not feel that we have any right to put money into things that there is no prospect of being used. I think that we ought to protect the interests of the United States and have everything in the stockpile that we need, but we have got everything of that kind there now that we need, and why should we go further and pile it up?

I have seen reports in the newspapers relating to the production of tungsten. There was an article in one of the papers recently telling about a stockholders meeting where the president of the corporation that produced tungsten primarily told these people that they were going to be able to produce tungsten and sell it in the market at the regular price, which price is affected by importations, and he said that they were going to be able to produce tungsten and sell it for that price and that they could do it without any subsidy. Now, when one of them can, I believe that others can, and I can see no sense of our going along and piling up enormous quantities of tungsten at a price away above the market price and at a time when we have enough on hand to last for 20 years of very active use of that article. Now, I do not believe that the ordinary fellow is getting too much of this subsidy. The information that seems to come in is that the big payments go to the big corporations whose other interests are paramount and with whom the tungsten proposition is a minor figure. I do not believe, if we are going on the basis of giving a gratuity to the small producers that we should approve a proposal under which most of the money goes to big producers. There may be many small producers, I would not want to say, but what they get represents a very minor item as compared with what is received by the large producers. I think it is time for the people of the United States, represented by their Members in Congress, to be careful about what we do this year. This year things are not as good as I wish they were because our appropriations are so high. But we should not make them higher by adding this item to the list.

Mr. CANNON. Mr. Speaker, I yield the remainder of the time to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Idaho [Mrs. FROST].

Mrs. FROST. Mr. Speaker, the passage of this amendment to provide \$10 million for the purchase of strategic minerals is of grave importance to the people of Idaho. The livelihood of many of the people of Custer and Lemhi Counties—two of the counties in my congressional district—are desperately dependent upon what action we take here today.

But it is not only the people of my congressional district—and the people of the State of Idaho—who have their eyes on Congress right now. Good citizens everywhere are watching to see whether we are going to welch on our

solemn word, given last session, to appropriate funds to implement Public Law 733.

The promise in question was made close to the end of the 2d session of the 84th Congress. At that time we appropriated \$21 million to finance the purchase of strategic minerals—including tungsten, asbestos, fluorspar, and columbium-tantalum—for the remainder of the calendar year of 1956, with the assurance that additional funds would be forthcoming to continue the purchase program in 1957.

Tungsten producers in Idaho—and elsewhere—took us at our word. Rather than close their mines down, and let their labor force scatter to the four winds, they kept on producing tungsten, and stockpiling it against the day when the new purchase program would swing into action.

As a result there was on hand—on the last date for which figures are available—an unsold tungsten backlog totaling about 220,000 tons.

It is now almost a year since Congress promised the funds to implement Public Law 733. Already many tungsten producers have been wiped out by the long delay in the passage of an appropriation item for which the Congress had already morally obligated itself.

Frankly, I do not know how I can go out and face the people of Custer and Lemhi Counties if we betray them here today—betray them unforgivably and indefensibly. We should appropriate the \$30 million we promised them, but since the Congress is not willing to do that, surely you will vote for the \$10 million this amendment provides.

Let me tell you briefly how serious the situation is for Custer and Lemhi Counties. Ima mine, which produces tungsten at Patterson, Idaho, is 1 of the 2 major mining operations in the area. It is Lemhi County's largest single taxpayer. The mine spends approximately \$100,000 in the region each month, and has an annual payroll of over \$500,000. If a substantial appropriation to continue the tungsten-purchase program is not included in this bill today, I am told that Ima mine will close down within the month, throwing a large number of miners out of work, and stranding their families.

Now, I realize these figures are not too impressive to those of you who represent districts which have hundreds of large industries in them, with annual payrolls running into the millions. But in Lemhi and Custer Counties, the loss of an industry with an annual payroll of \$500,000 is a serious economic blow to the whole region. I wish I had time to read you some of the telegrams and letters I have received from citizens in all walks of life—merchants and miners, public officials and civic leaders—imploring me to do everything humanly possible to secure funds to continue the tungsten-purchase program—funds which we here in this Chamber solemnly promised would be forthcoming.

It is not only the miners and merchants of Idaho who will be hurt, however, if this amendment fails. We are

taking a long chance with America's security.

It has been argued on this floor that we now have on hand in our stockpile a supply of tungsten sufficient to meet our military needs for 20 years to come. However, you have not heard any responsible military authority who is in a position to know about our requirements make such a statement. Those who have enough information to assess our needs—both our present military and industrial needs, and our long-range ones—say flatly the figure is closer to 6 years. And even then they can't be sure.

Right now this country is on the threshold of enormous new uses for tungsten—both military and industrial—and our needs may double or treble within the foreseeable future.

The original stockpiling program was designed to bring in enough tungsten for munitions—particularly for tungsten core shells, and basic armor-piercing shell and for special armaments. We are using tungsten in the development of heat-resistant metals for faster planes, for high-temperature alloys for rockets, and for light-weight radiation shielding essential to atomic aircraft. When it is alloyed with carbon it constitutes the hardest of all manmade materials.

If the accelerated technology in many fields increases the requirements for tungsten to the extent now forecast, our present tungsten stockpile could evaporate in a very short time. This is a chance we cannot afford to take. We must keep our tungsten mines operating.

As many of you know, once a mine is closed down it is often very difficult and expensive to open it. The shaft may fill up with water or the timbers dry rot, as happens in many Idaho mines. It takes time and money to put a deteriorated mine back into operation.

If a good part of the tungsten mining industry goes to the wall, and the predicted technological advances or urgent defense needs suddenly step up demands for tungsten, we would have to reach out into the world market for it. And a large portion of the world's tungsten resources are behind the Iron Curtain.

We all remember what happened during the last war when our tungsten requirements skyrocketed. The price went up to \$90 a ton, and we had men out all over the world trying to locate tungsten. We can buy it now for \$55 under Public Law 733—and stockpile it indefinitely for the uncertain and perilous years ahead.

Mr. Speaker, it will be a breach of faith with the people who have worked for and invested in the domestic critical minerals industry if we do not vote here today for the necessary appropriations obligated in the passage of Public Law 733.

It would be utter folly to allow tungsten production to stop when the goals will most likely have to be reset in order to meet increasing industrial and defense needs.

(Mrs. FROST asked and was given permission to revise and extend her remarks).

Mr. KIRWAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nevada [Mr. BARING].

Mr. BARING. Mr. Speaker, I take exception to the figure given by the gentleman from New York [Mr. TABER].

Mr. John Lieber of the ODM told us that there was a 6-year supply, not a 20-year supply. The State of Nevada has a black picture, all the mines are closed because Congress prefers to let the domestic industry die and purchase tungsten from the foreign market. I hope you will seriously consider this letter when the amendment is voted. I am quoting a letter written by one of my constituents who is a tungsten miner. He succinctly expresses the domestic miners' feelings toward Congress in its failure to appropriate funds to carry out the provisions of Public Law 733.

RENO, NEV., April 6, 1957.

Mr. LOUIS D. GORDON,
Secretary, Nevada Mining Association,
Reno, Nev.

DEAR Mr. GORDON: A courageous fight has been waged by the proponents of the tungsten appropriation, and not the least of the struggle has been waged by Senators MALONE and BIBLE, Representative BARING, and you. I am very sure that everyone directly or indirectly connected with the production of this vital metal, and they number in the thousands, join me in expressing heartfelt thanks.

That I might establish my right to speak of a far more vital issue than the mere refusal on the part of the House Appropriations Committee to recommend the appropriation, I respectfully submit that I purchased a large tungsten property in central Nevada in 1952; that subsequently, under the stimulus of the original stockpiling program, I subjected this property to a thorough and competent development program; that between the years 1953 and 1956 I spent upwards of \$60,000 in payments on the purchase of the property and in development of the ore deposit; that when the 84th Congress passed Public Law 733 extending the stockpiling program late in 1956, I, along with every other domestic producer, committed myself fully to the mining and milling of tungsten; that having exhausted my own financial resources I drew others into the project, whose faith in the integrity of their Government was as unshakeable as my own; that these working men and women invested more than \$30 million in the project of mining and milling tungsten ore, and that the project in which they invested was entirely sound and profitable under the appropriation covering Public Law 733; that as the sole result of the refusal on the part of the House Appropriations Committee to recommend the appropriation, our project has failed, debt has been accumulated, the investors have lost their hard-earned savings, and I have been wiped out.

If, by the above, I have qualified myself to speak out, then I would say that the issue here is betrayal, inexcusable and unforgivable. I would argue that the issue is not whether or not our Government has stockpiled enough tungsten concentrates to meet any emergency for a long period of time; not that the budget ought to be reduced; not that only a very few domestic producers benefit by the stockpiling program; not for any other policy, economic or political reason, but rather if it intends to meet an obligation it incurred by the passage of a law of the land, after inducing a whole industry to irrevocably commit itself by the passage of the law.

If our elected representatives in Government can now betray a handful of "dispensable" voters without danger of punishment,

how long will it be before with like impunity they can betray a whole people?

We hold there is a law in effect now, a law that drew us deeply into the mining and milling of tungsten; that had the law not been passed we would not have so committed ourselves; that we did so commit ourselves because we had unbounded faith in our Government, and that the duty of Government is therefore plain.

We hold that if this appropriation is not passed, and at once, we have been cruelly and fatally betrayed; but we hold that something far more horrifying will have been established if this appropriation is not made: a clear precedent will have been raised for more and ever greater betrayals, shocking and confounding the peoples ever more deeply, destroying in increasing measure their faith in their own kind. And, if that comes to pass, what then will follow?

Cordially,

ROBERT C. ARMSTRONG.

It is almost unbelievable that the the House Committee would so completely reverse itself in regard to the tungsten program after it had become a law. This very act by this committee can do nothing but shatter the faith of the people toward Congress. Assurances were given to producers, who in turn laid out operational programs and expended funds for development and operation and found themselves suddenly cut off. The tungsten mining industry cannot be turned on and off as a water tap. If our foreign supplies are suddenly cut off in an emergency, will our domestic operators be expected to produce our needs by reopening their mines on short notice? Should they be subjected to competition from foreign sources because of a lack of a proper tariff? The American taxpayer seems to be the goat in this case. Not only is he being taxed, unconstitutionally, for foreign aid, which moneys help produce the foreign tungsten, but his support at home is cut off. However, he is still expected to go along with any foreign aid program. Will he be able to continue paying these taxes if he is shut down? Not unless he finds some other means of livelihood.

The 84th Congress passed Public Law 733 to provide for certain purchases of domestic tungsten, asbestos, columbium, tantalum and fluorspar. Rejection by the House Appropriations Committee of a promise of \$30 million for continued purchase and stockpiling of strategic minerals threatens to stop in its tracks defense efforts to develop the heat resistant metals we must have for faster planes and light weight radiation shielding essential to atomic airframes and engines.

Back of this story is a perfect example of the absurdity of passing legislation to implement progress and not providing the money to do it. But as the RECORD will show, there are outstanding some \$62 million in contracts to purchase tungsten from foreign producers, at an average price of \$55 a unit. I am advised that those contracts are legal, they are enforceable and foreign producers can collect on them. Are we to say to our domestic producers, "We, now in Congress, did not pass Public Law 733 and we will not carry out the promise given you last July to buy your tungsten?" Without the Government purchase program America is at the mercy of foreign pro-

ducers, since the world price of these metals is too low to support American wage scales.

Dr. Flemming, formerly with the Office of Defense Minerals, stated:

I want it to be clearly understood that we favor Public Law 733 and naturally, favoring the public law, we favor the appropriation of funds necessary to carry out the policies.

We must give our domestic producers a chance. Foreign spending has put them out of business and closed their mines.

I want to remind the Members that Secretary Seaton endorsed the tungsten program.

In a statement made to the Senate Interior Committee on June 4, 1957, Secretary Seaton said:

The Department of the Interior has supported and will continue to support the tungsten purchase provisions of Public Law 733. We feel that it is right and proper that the domestic industry be enabled to amortize investments made at the urgent request of the Government during the Korean conflict, and be given an opportunity to reorient their operations to the market. Continuation of Public Law 733 is the best method of assuring these objectives. We believe that if the industry operates under this program until December 1958, the production then existing, coupled with new and reasonably anticipated demands from industry, will provide a more realistic basis from which to evaluate the position of the industry in our overall economy.

Dr. Flemming, stated before the Senate Interior Committee on February 26:

We feel that Public Law 733 represents sound public policy under all of the circumstances that confront us at the present time.

We should avoid weakening this particular segment of our economy by permitting it to close down, as a weakened segment of the economy weakens the foundations on which our whole defense mobilization program rests.

In conclusion, the issue is not whether this country has sufficient tungsten now—but whether it wants to have some assurance of a supply in the event of an emergency.

In normal times, the domestic industry cannot maintain itself without help in the face of foreign competition.

Without the Government purchase program, America is at the mercy of foreign producers since the world price of these metals is too low to support American wage scales.

The Members not acquainted with mining do not realize when a mine closes down, the timbers rot, the mine fills with water and caves in, thus making it almost impossible to ever reopen.

Members of the House, I urge you to support this amendment for actually a committee of this House has indicated it will ruin a segment of our national economy by its refusal to appropriate funds and this committee is not an authorizing committee but an appropriating committee. The Interior Committee of both Houses passed this law and I cannot see how the House Appropriations Committee can reject the will of the people. Also, I remind you that if you shatter the belief of these miners in their Government, then in time of an emergency, whom are you going to turn to? I urge you, gentlemen, please support

this amendment. If the law is no good, then let us amend it or get rid of it; I refer to Public Law 733. For Heaven's sake, let us keep our word and faith to the people.

Mr. KIRWAN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Speaker, it would not be possible in 5 minutes to debate the merits of this program from one end to the other. I am perfectly sure that the Members of the House have not had an opportunity to read and study the record, but I want to call the list of the people who stand with us on this proposition.

First is the Subcommittee on Mines and Mining of the House Committee on Interior. We held a hearing just the other day and passed a resolution in which we called upon the House to support the continuance of this program. A copy of that resolution was sent to every Member of this House. We did not do that because this program is completely silly and we are wasting the taxpayers' money.

The committee of the other body, the Senate Committee on the Interior passed on the same matter and took the same position.

The Senate Committee on Appropriations twice and the Senate itself twice by overwhelming votes have supported this appropriation and the continuance of this program.

The Department of the Interior not only recommended it initially, but Secretary Seaton came before the Committee on the Interior of the Senate in the last week and recommended that this particular program, Public Law 733, be continued as a part of the permanent long-range domestic mining program.

The Office of Defense Mobilization appeared before the Senate Committee in February and testified again in support of this program.

The Bureau of the Budget not only has cleared this amount of money but has cleared a total of \$90 million to carry this program from the beginning to the end.

Mr. Speaker, I say to you that our distinguished friends of the Committee on Appropriations are the only group, the only committee, the only agency of the Government, which has ever considered this program and heard a word of testimony on it, that has been against it.

I know that you do not have the time, as I say, to read all the testimony, and I have not the time here today to argue it all.

But I do say that if you will listen to the list of witnesses, these are the people, these are the agencies, charged with the responsibility for this program, and they have supported it.

The Senate added \$30 million in this bill for the minerals program. This amendment will substitute the sum of \$10 million, which is enough to run the minerals program for a period of about 2½ months. That is just beyond the expiration of this session. Secretary Seaton has submitted his long-range program, in which he has recommended the continuation of this very program. If that long-range program is adopted

before we adjourn, then this whole matter will be necessarily considered on its merits again. If it is not, then we have provided a sum for these people to wind up their production.

You must remember what has happened. This bill passed in August of last year. Twenty-one million dollars was appropriated. The committee of the other body told the producers and told the Senate itself that a supplemental appropriation would be requested. They ran out of money in November. The General Services Administration, which is the purchasing agent, sent out letters, and I intend to put them in the RECORD, in which they said that—

When moneys are made available for the continuation of this program you will be advised. You may continue to submit monthly offerings until the program reopens.

In another letter they said:

We will continue to receive offers during the period for which the program is suspended and will appreciate your making them monthly.

In other words, these miners were led to believe that this suspension was only temporary, by the purchasing agency itself, and as a consequence they have proceeded. Along came the Appropriations Committee and cut them off at the pocket and left them a mile and a half from shore without any oars or even a boat to get back in. What I say is that the fair thing, the elemental fair thing this House can do, is to give this \$10 million which continues this program until we have a chance to go into the long-range domestic program.

After all, this was never a defense program, it was an interim program set up to take the place of any program until we come up with a long-range mining program. If that is not adopted, this \$10 million simply constitutes a clean-up program and an opportunity for these people to get back to shore. You must remember that they had to open their minds, they had to employ help, that they have had to make commitments, and this is the fair thing for the House of Representatives to do. I hope you will vote for this amendment.

Mr. KIRWAN. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. DURHAM].

(Mr. DURHAM asked and was given permission to revise and extend his remarks.)

Mr. DURHAM. Mr. Speaker, it is imperative that the general purchase programs established by Public Law 733, the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956, be carried out in accordance with the basic legislation that was passed by both Houses of the 84th Congress and then approved by the President on July 19, 1956. The domestic tungsten, asbestos, fluorspar, and columbium-tantalum miners were encouraged by the basic act to continue their efforts to search for and to develop and to mine domestic deposits of these materials—which are significant for high-temperature applications. Moreover, these materials will become of increasing importance as research now underway shows us how to

make better use of the higher temperatures that are associated not only with new forms of energy, such as atomic energy and high-energy chemical fuels, but also with the improvement of the efficiency of such items as vessel propulsion plants, and superheated steam turbo-generators. The advancement of our technological civilization is dependent on the development and the improvement of materials that will permit the safe and efficient utilization of superheats at elevated temperatures and pressures, often in atmospheres where corrosive conditions are extreme, and in surroundings subject to vibration and shock.

That the high-temperature area is of highly critical importance to the national defense and domestic uses was pointed out in no uncertain terms as recently as last month (April 2, 1957) by Lt. Gen. C. S. Irvine, Deputy Chief of Staff for Material of the Air Force, when he told the Society of Automotive Engineers in New York that:

Improved use of engineering manpower and capabilities is an essential forward step in the production of air vehicles. But beyond this step lie many problems which must be solved if we are to progress as rapidly as necessary in the efficient design of future air vehicles. Foremost among these problems we must find ways of developing and using new materials capable of withstanding sonic vibration and high temperatures. * * * For the plain fact is that unless we do advance the state of the art of the thermal resistant materials, air vehicle development will lag.

And in a similar vein, the Director of the Office of Defense Mobilization, testifying before the Senate Committee on Interior and Insular Affairs on February 26, 1957, said:

I think it is clear to the members of this committee that we are utilizing at the present time the properties of our presently available nickel and cobalt base, super-high-temperature alloys to the maximum possible extent. We all know that we have some shortages as far as that is concerned. And there is reason to believe that any further gain which might be realized in the high-temperature properties of these types of alloys will be marginal at best, and, therefore, it would appear that any further developments will lie in the area of greater use of refractory metal such as columbium, molybdenum, tantalum, and tungsten which have melting points considerably higher than cobalt and base alloys we are now working with.

For the benefit of those Members who may not be familiar with the materials that are considered to be suitable for refractory, that is high-temperature, applications I wish to insert in the RECORD at this point a table listing in descending order the melting points of those elements which occur in quantities sufficient to justify considering them for any significant industrial uses. Melting points are in degrees centigrade, and are taken from the Reactor Handbook published by the Atomic Energy Commission:

Element:	Melting point (° C.)
Carbon (graphite).....	3,700
Tungsten.....	3,395
Tantalum.....	2,996
Molybdenum.....	2,622
Columbium (niobium).....	2,415

It should be noted that the melting points of these materials are all considerably higher than that of the conventional stainless steel ingredients such as iron, 1,539° C.; cobalt, 1,495° C.; and nickel, 1,455° C. It is also immediately obvious that three of the materials covered by Public Law 733, tungsten, columbium, and tantalum are in the refractory category.

Now, in past weeks, we have heard many statements as to the quantities of some of these materials on hand in Government inventories, and while I wish to be fair to those who may have used such statements, I can only state that the official testimony clearly shows that the Government, at this time, has absolutely no idea as to the amounts that are required for defense purposes, and that all such statements as have been cited as to the amounts on hand are obsolete and based on war plans that are no longer current. For proof of this, I wish to cite the letter written on December 13, 1956, by Hon. Reuben B. Robertson, Jr., Deputy Secretary of Defense, to Dr. Arthur S. Flemming, Director of Defense Mobilization. Mr. Robertson said:

Recently the Secretary of Defense announced a clarification of the roles and missions of the military departments which was necessary owing to recent, rapid technological advances in weapons. It is, therefore, now evident that new guidance is required from the Joint Chiefs of Staff in order to develop requirements consistent with these new concepts. It is difficult for us to forecast at this time the effect of these revisions upon the determination of materials requirements in the event of mobilization; it is probable, however, that such requirements will be lower for most materials than they have been in the past.

Now, naturally, it is to be expected that these new technological advances in weapons will reduce requirements for most of the classical strategic materials, such as natural rubber, abaca, sisal, sperm oil, and tin, which are presently stockpiled, but certainly the effect of these new advances must be that requirements for the high-temperature refractory metals, including tungsten, columbium, and tantalum will go up.

Now, in the face of the expert opinions cited above, it seems clear to me that the basic policy and program established by Public Law 733 is sound, and that it could well be suicidal from the defense viewpoint for us to shut down our domestic mining mobilization base for these refractory metals—tungsten, columbium, and tantalum—at this point.

And what of the 2 other materials covered by Public Law 733? Asbestos is one of the best high-temperature insulating materials, while fluorine, produced from acid-grade fluorspar, is an ingredient of some of the high-temperature chemical fuels. Thus, all 5 of the materials covered by Public Law 733 are particularly important to the fabrication of the super-speed jet planes and the guided missiles, upon which we are putting ever-increasing reliance for the defense of not only the United States itself, but also of the entire free world.

Mr. Speaker, in addition to the very clear defense reasons for carrying out this program, there are also equally com-

PELLING moral and economic reasons for its continuance.

The Congress of the United States encouraged the domestic miners of these minerals to believe that the programs established by law—Public Law 733—were honestly set forth and intended to be carried out in accordance with the law. Indeed, what honest citizen could assume otherwise when he reads the clearly stated and detailed programs set forth in the basic law? If now the Congress of the United States comes along less than a year later, and kills off this program by a failure to appropriate the necessary funds, then respect, not only for this law, but for all laws, can only decline. Since respect for the law is one of the prime foundations upon which our great American civilization has been erected I for one cannot in good conscience associate myself with any sleight-of-hand maneuver designed to circumvent the basic law in this case. Our citizens who have been encouraged to invest their time, capital, and their best efforts in the search for these minerals and in the production thereof under the programs set forth by Public Law 733 must be honestly and fairly dealt with by their elected representatives here in the halls of the Congress. You may be well assured that if we fail to keep faith in this area, the precedent will not pass unnoticed in many other fields.

Lastly, there are several economic justifications for implementing the programs set forth by Public Law 733. Who does not remember the price-gouging to which our industries have been subjected in the past when too great a reliance has been placed on foreign sources of vital materials, even when these materials were in the hands of nominally friendly nations? If we permit our domestic mining industry for these critical materials to go down the drain simply because it appears at the moment that the spot price for material of foreign origin may be lower, who can say that the price for the same material will not rise several times over once our domestic mines are shut down, the equipment dismantled, the skilled miners dispersed to other jobs, and the mine workings themselves flooded by the ever-present groundwater? While we all are searching for real and honest ways to save money for the taxpayers, let us not beguile ourselves into believing that reliance upon foreign sources of critical materials is economic. Indeed, when proper weight is given to the State, local, and Federal taxes paid by the mining companies, their employees, and their suppliers, it should be obvious that domestic production of these vital minerals takes place at real costs that can compare favorably with present prices for foreign material.

To sum up, then, there are defense, moral, and economic justifications for the proper implementation of the domestic mineral-purchase programs set forth less than a year ago by the Congress in Public Law 733, and approved by the President on July 19, 1956. Let us not present the citizens with a picture of a Congress that knows not from 1 year to another right from wrong, that goes

off in opposite directions without apparent purpose. Rather let us cease forthwith the undue dalliance that has already caused great hardship among the miners of these United States. Let us make available without further delay the funds necessary to carry out the program that we ourselves established less than a year ago, so that the confidence of the citizens in this body is restored and strengthened and so that they can proceed in an orderly way with the very important business of producing vitally important strategic materials—materials which are essential for the defense of the Nation in time of emergency and which are also essential for its continued growth and technological advancement in the present age of peril in which we find ourselves.

In a jet engine like the J-57 there is approximately 45 pounds of tungsten contained in the various parts of the engine which are made of tungsten alloy metal. Some of the engine parts, of course, contain no tungsten and some parts contain more than others but on the average, in a modern jet turbine like the J-57 there is contained about 45 pounds of tungsten or something like 1 percent of the total weight of the engine, which is approximately 5,000 pounds, with the afterburner.

The amount of tungsten required for the manufacture of a jet engine like the J-57 is roughly 3 times the amount contained in the finished parts, so it is easy to calculate that somewhat more than 140 pounds of tungsten is required in the manufacture of each modern jet engine. This is due to the fact that the forgings have to be on the average three times the weight of the finished part. This is true on the average of jet engines. In many cases it is much higher as, for instance, in the cylinder-head part of a piston engine where the weight of the original forging is 10 times that of the finished part. In the case of a crankshaft for a piston engine the forging would weight six times as much as the finished shaft.

It is, therefore, apparent that any conception that only 20 pounds of tungsten is required in the manufacture of a modern jet turbine is completely inaccurate as an average of somewhat more than 7 times that is required. The parts of the forging which are trimmed off and cut away are not completely lost but they are lost as far as the manufacturer of the jet engine is concerned for the reason that waste of this type is recovered and sold in the steel alloy trade to be used in the manufacture of alloys using lesser amounts of tungsten for other purposes. This, however, does not change or alter the fact that more than 140 pounds of tungsten is required for the manufacture of a jet engine like the J-57. When a tungsten base alloy is developed which will permit jet engines of this type to be operated at a much higher temperature than at present the amount of tungsten required for each engine will be vastly increased and will no doubt exceed more than 1,500 pounds for each engine.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. EDMONDSON. I do have a district where there are mines and where most of those mines are shut down today because of the importation of foreign metals at disastrously low competitive prices. I would like to ask the gentleman if this amendment is not adopted, will the Government's purchasing program on columbite and tantalum also be terminated?

Mr. DURHAM. It will be terminated on June 30 and there will be no more of it.

Mr. EDMONDSON. I certainly join with the gentleman, and I hope the amendment for the \$10 million is put in this bill.

Mr. KIRWAN. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, I would like to speak a little bit about asbestos. Too many times we think there is only one mineral involved here. But, that is not the case. There is an asbestos mine on the San Carlos Indian Reservation in Arizona which would not be there except for this particular program. This mine is affording employment to some 200 San Carlos Indians who would not otherwise be employed. This mine will be in a position to sell in the world market within 2 years because of the fact that they have been able to uncover a very fine vein of asbestos. If the mill is built, which is needed to process this asbestos, the asbestos will be sold on the world market within 2 years.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. ASPINALL. Mr. Speaker, I feel that there has been too much talk about stockpiling as far as the proposition now before the House is concerned. As far as this particular matter is concerned, this is not primarily one of stockpiling. The question is whether or not we are going to firm up our domestic mining industry. We were caught short in this country before each 1 of the last 3 major conflicts. It is a fact that we now have built up a healthy domestic producing tungsten industry. This is largely because of some of the incentives that we have heretofore offered.

The issue before us at this time is really quite simple. It has been confused only because we have overlooked the fundamentals and given weight to transitory statements and positions.

I realize that the distinguished members of the Appropriations Committee who have opposed the provision of funds for the continuation of purchases under Public Law 733 have done so out of a conviction that the program is not necessary. I respect their opinion and regret very much that I must disagree with these friends of long standing. I might concede to their position were it not for the fundamental consideration which I cannot overlook. This fundamental can be simply stated. Just last summer the Congress passed and the President signed into law an 18-month program to purchase a certain quantity of critical minerals, primarily tungsten. Funds to implement this purchase program were ap-

proved last year in the amount of 21 millions of dollars. The program then was activated by the proper agencies of Government and the interested producers of these materials had then, and should now have, every reason to believe that the program as passed would be carried out. They proceeded to mine and produce these materials, making investment, blocking out ore, firming up employment and the many details which go into a production venture. Now they see this effort, this investment suspended in midstream. Workers who thought they had employment see its sudden termination. This boom-and-bust fluctuation in mineral production has been all too prevalent in this Nation, and it has cost the Nation valuable reserves of critical mineral resources as mines were left to cave and ruin. The Congress should not, indeed cannot, be an active party in another such dismal event, since the Congress was the body which held the carrot before these producers in the form of the purchase program.

I have no tungsten production in my district and my district interest, if any, would be in the fluorspar part of this program since there is fluorspar production in my district. Still, I have seen too often the tragic consequences of abandoned mines, flooded, caved, a crumbling hole which swallowed investment, hope, and valuable mineral reserves which this Nation needs.

I have had information from a tungsten producer in Colorado, not in my district as I said earlier, but a small Colorado producer. This small firm has limited capital, yet in prospect of the purchase program, it invested some \$65,000 in its operation. This company now stands to lose some \$200,000 on tungsten concentrates already produced and over \$500,000 on improvements made in reliance upon this Federal program. Beyond this, some 80 workers will be out of work in a small town where no alternative employment opportunity exists. This we cannot, in good conscience, allow.

Consider, there is now outstanding and enforceable, some \$60 million in contracts for tungsten with foreign producers. These will be honored. There will be no midstream termination. We can do as much for our own people and equally honor our commitments to them.

There is some suggestion that certain producers have done better than necessary under this program and that perhaps certain adjustments are needed. If this be true, then this program should come before the proper legislative committee where, I can assure you, it will be carefully considered and necessary adjustments made as to production to be purchased from any producer, price, and so forth. We owe these domestic producers at least this consideration for their determined effort to provide for us a domestic tungsten industry. We need to have, beyond any doubt, a safe domestic supply, even an oversupply, of this evermore vital defense material.

Mr. RHODES of Arizona. I thank the gentleman from Colorado.

Mr. Speaker, in closing, I would just like to call attention again to the fact

that this bill does build up the domestic mining industry and in so doing has served in the best interest of the Nation's well-being.

I do not want you to pull the rug out from under these producers the way you did after World War II. Someday, you know, we are going to have to ask those people to produce, and they are not going to do it because they will remember when they once got their feet burned. We have done it twice now; I do not think we should do it again.

(Mr. RHODES of Arizona asked and was given permission to revise and extend his remarks.)

Mr. KIRWAN. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. HILL].

(Mr. HILL asked and was given permission to revise and extend his remarks.)

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California.

Mr. ENGLE. The gentleman is a member of the Committee on Agriculture which from time to time authorizes far programs. I am wondering what he thinks would happen if after initiating a farm program we chopped it off about the 1st of January rather than permitting it to run along for a sufficient period of time, or at least we changed our mind about it suddenly? What does he think would happen if they cut this off this year instead of next year?

Mr. HILL of Colorado. I would say to the gentleman that he is speaking good, sound, hard sense. We are going to do that.

A few days ago the Senate had gump-tion enough to put some three to five hundred millions back in the soil bank, and I for one say to you that it is about time we took a second look at agriculture. I want to associate myself with all the Members of this House who feel that we should not cut this tungsten program off at this particular time. I am not an expert; I only live close to the mines. Colorado had a great history in mining, but it was before my day, long before my day. Now we have an opportunity to keep our mines open and we have a few mines in the West where tungsten is a very important product, most of them are small mines.

I am turning to page 5 of the testimony of a gentleman, which was given on February 26, 1957, Dr. Arthur Flemming. Let me give you his full name so you will know who I am talking about, Dr. Arthur S. Flemming, Director of the Office of Defense Mobilization.

Now, we are losing the impact of the argument for this appropriation unless we consider it as a defense activity, and we also lose it if we start at the word "defense" and do not consider the future. We probably do not know, and the testimony would indicate that they are not quite ready for an overall and all-inclusive minerals program. But what are you going to do? Listen to what Dr. Flemming said here uncontroverted. He said, commenting on a letter on the

stationery of a certain firm—I will not read the name of the firm:

Attached to this letter is a chart. There are figures here which purport to show the total stockpile of tungsten.

Every one of you should listen to this because these are the facts. Let us get it straight.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. HILL. Mr. Speaker, will the gentleman from Ohio yield me 1 additional minute?

Mr. KIRWAN. I am sorry, but I cannot.

Mr. HILL. I will put the statement in the RECORD where Dr. Flemming shows we have only a 6-year supply, not a 20-year supply. You had better think this over before you cast your vote.

Dr. FLEMMING. It is recognized by all of us that our total mobilization program must rest, if it is to succeed, on the foundation of a strong and sound economy. This is reflected in this report. It is clear that if the industries with which we are dealing this morning are shut down, one segment of our economy will be weakened. Surely no one can argue that closed-down mines filled with water, with miners out of work, can do anything but weaken this segment of our economy.

We felt last year, and still feel, that it would be unwise for the Congress to permit this to happen in view of the fact that the administration intends to recommend and the Congress to consider long-term policies that are designed to create or will be designed to create a more favorable economic climate for these industries than now exists.

As I indicated, Mr. Chairman, last year, we regard this as purely interim, stopgap legislation. Nevertheless, we feel that it is important for Congress to go through with the policy set forth in Public Law 733 until the long-term policy is developed and enacted into law.

Mr. Chairman, that is simply a restatement, really, of the position that I took when the Congress was considering Public Law 733.

The CHAIRMAN. Thank you, Mr. Flemming. Mr. Redwine of the committee staff desires to ask you a few technical questions. Mr. Redwine?

Mr. REDWINE. Dr. Flemming, I hand you a letter on the stationery of Kennametal, Inc., Latrobe, Pa., which for reasons which will develop in a moment, Mr. Chairman, I do not wish to offer for the record. It just want Dr. Flemming to identify it.

Dr. Flemming, attached to this letter is a chart. There is a figure here that purports to how the total stockpile on tungsten. Is such a figure classified information?

Dr. FLEMMING. It certainly is.

Mr. REDWINE. Dr. Flemming, please do not mention the figure that is given, but can you say whether or not, without violating security, that is a realistic figure?

Dr. FLEMMING. I prefer not to comment on the figure at all, in view of the fact that it is classified.

Mr. REDWINE. Doctor, in the letter reference is made back to that figure and it is stated that that figure constitutes a 20-year supply in time of emergency of tungsten.

Can you say whether you have a 20-year supply of tungsten on hand?

Dr. FLEMMING. Let us make the question very specific. That is a 20-year supply for dealing with a wartime emergency?

Mr. REDWINE. Correct, sir.

Dr. FLEMMING. The answer to that is "No, we do not have anything approaching that on hand."

Mr. REDWINE. Can you, without violating security, tell the committee approximately how many years' supply you have on hand for wartime emergency?

Dr. FLEMMING. Thinking in terms of the requirements for a wartime emergency, we have on hand enough to carry us through approximately a 6-year emergency.

Mr. REDWINE. Mr. Chairman, I do not think this letter should be put in the RECORD in view of the testimony of Dr. Flemming.

Dr. Flemming, you have been procuring materials for a good many years for the Federal Government. Do you consider when you announce a program that you will purchase so many tons or units of this or that, that you have entered into an implied contract with the producers thereof?

Dr. FLEMMING. That is the position, of course, we have taken consistently before this committee where we made in effect a holding out that we will require certain quantities within a given period of time; that the Government is then under obligation to acquire those quantities provided they come in within the time period set.

Mr. REDWINE. The Congress, faced with the circumstance it is, that it has made an implied contract with the producers of these 4 metals, if Congress reneged on that, what effect do you think that would have in a time of dire emergency which might come ahead of us? What would the producers feel if the Government had once reneged on them?

Dr. FLEMMING. Mr. Redwine, as I indicated in the conclusion of the statement I just read, we feel for a number of reasons that it is important for Congress to go through with the policy it outlined in Public Law 733 until this long-term policy is developed and enacted into law.

On the other hand, as you have indicated, competent authorities do continue to advise us that accelerated technology, particularly in the field of military devices, is moving constantly in the direction of higher and higher temperatures.

I think it is clear to the members of this committee that we are utilizing at the present time the properties of our presently available nickel and cobalt base, superhigh-temperature alloys to the maximum possible extent.

We all know that we have some shortages as far as that is concerned. And there is reason to believe that any further gain which might be realized in the high-temperature properties of these types of alloys will be marginal at best and, therefore, it would appear that any further developments will lie in the area of greater use of refractory metal such as columbium, molybdenum, tantalum, and tungsten which have melting points considerably higher than cobalt and base alloys we are now working with.

Mr. Chairman, members of the committee, again I would like to make the proposition very clear; we are not supporting, we did not support Public Law 733, and we are not supporting it now on defense grounds; that is, in terms of the need for these materials for defense purposes as of the present moment.

But we are supporting it on the ground that there is a long-term policy that the administration is going to present and that the Congress is going to consider and we feel that during this interim period, between now and the time there is agreement on the long-term policy, it just does not make good sense from any point of view to permit these mines to close down and the water to flood the mines and so on, and to put the miners out of work.

Senator MALONE, do you wish to ask some questions at this time?

Senator MALONE. Yes, I would like to develop one point with Dr. Flemming.

Doctor, are you familiar with the research that is going on now to develop higher heat-resistant alloys?

Dr. FLEMMING. Yes, sir, generally; not as a technician, but I have been informed along that line, as I indicated a few minutes ago.

Senator MALONE. Yes. I doubt if the emphasis has been sufficient on that point.

We had a very interesting paper from Dr. Thielemann, whom you probably know, R. H. Thielemann, chairman of the department of metallurgy of Stanford Research Institute. His latest results are a part of his paper.

I would like to call your attention to this matter for the record in the light of your testimony that you have a 6-year reserve or stockpile on tungsten.

Now, Dr. Thielemann says, and I heard him testify before a House committee in San Francisco last Sunday, a week ago, that:

"If satisfactory tungsten base alloy can be developed which will have useful engineering properties of temperature of 2,000° F. and higher expected consumption would be doubled or tripled."

Now, if you believe that is really right on top of us, what would you say about your stockpile?

Dr. FLEMMING. Senator, as you know, it is difficult to comment on that in a specific way because I do not know what Defense will come up with in the way of requirement in the light of a statement of that kind, but unquestionably the requirements will be higher than they have been at the present time and that will be reflected in the stockpile.

I would like to say this, Senator: I think the point we are making, although we don't have any figures to go on at the present time, the point that you are making nevertheless indicates the desirability of keeping industries of this kind on a going basis rather than letting them shut down because in this kind of world we never know when somebody is going to come through with something like this.

Senator MALONE. I think you and I discussed this at another meeting we had last year, that is your best stockpile is a going-concern industry.

Dr. FLEMMING. We have always had that feeling.

The CHAIRMAN. Senator Allott, of Colorado, wishes to ask some questions.

Senator ALLOTT. I have no questions I want to ask the doctor; thank you, Mr. Chairman. I am a member of this subcommittee, but I have one or two things I would like to say.

First of all, I want to express to Dr. Flemming my own personal regret that he is leaving the position he has occupied. I think it would not be amiss to emphasize here what I conceive to be one of the biggest dangers and faults in our Government at this time which he on his part has done his best to eliminate. Unfortunately, in these hearings, and this is true not only under this administration, but it has been true for many years, in the testimony of people who are charged with policymaking, there is always the tendency to leave a door or doors open which lead to statements and declarations of policies which have so many doors in them that they are not policies at all. Doctor, if I could commend you for anything at all, it is for the forthrightness and definiteness with which you have always stated your own point of view, which then gives other people a chance to put it on an anvil and beat it out to find out its merits or lack of merit, as the case may be.

Dr. FLEMMING. Thank you.

Senator ALLOTT. And in your case it has been mostly merit. I would like to say this in addition: I appear here only because I want to express myself completely and wholly in support of the program. The real matter at issue here is to give the doctor a

chance to refute some misconceptions of his testimony. But at this time I cannot help but follow up to some extent my good friend, the Senator from Idaho, and express my own thoughts in support of this whole program to implement Public Law 733 of last year.

There are so many examples that can be used in this field that they are almost endless. I point to the fact that 2 years ago, in 1955, numerous Senators appeared before the Appropriations Committee and begged for appropriations to continue our oil-shale experiments. Contrary to that, they were gutted. The place was closed down, and the situation which many of us predicted was a possibility has become an actuality in less than 2 years because we do not have any Suez Canal any more, and we do not have any pipelines of oil out of the Near East. Yet the means and the opportunity to make at least 900 billion barrels of oil available to the American people was in our hands and we flubbed it. When I say "We," I do not want to take any burden for that myself, because most of the Senators—in fact, all of the people here, as far as I know—supported that building up of the oil-shale development so that it could be economically feasible. We should have right today—right this minute, right this second—an oil-shale process which would enable us to produce oil in unlimited quantities competitively with oil out of the ground. If we should find ourselves in another war, nuclear or otherwise, we will rue the day that we did not follow through and complete this oil-shale program.

There is another thing I want to speak out, very strongly for. I realize that we do have to trade with other countries some. I do not believe that we serve our own interests by purchasing all of our minerals at home. I think in a broad sense we help ourselves by purchasing some of them abroad. And where the balance will be struck is a question that will always be troublesome to the administrators and to our administrators and Senators and Congressmen. But I do oppose, as we did in Mexico, taking United States money and building production of fluorspar to compete as we did with our own dollars, while we are shutting down our own. I recognize the advisability, as I say, of trading somewhat with those people and making purchases there and trying to reason out with reasonable men a balance. But to take that when we have the production in the United States and build production in competition to our own is something which I do not think can be justified, and I want to express myself as being opposed to it.

Thank you, Mr. Chairman and members of the committee, for this opportunity to say these few words, because I could not let this opportunity go by without expressing my complete support. I hope the Members of the House who are here will be able to do something on their side to put this appropriation back in good order.

The CHAIRMAN. Thank you, Senator Allott.

Mr. KIRWAN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. SISK].

(Mr. SISK asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Speaker, I rise to support the amendment offered by the gentleman from California [Mr. ENGLE]. If this House fails to appropriate at least sufficient funds to permit an orderly liquidation of the tungsten program, the producers in my district will feel and will be entitled to feel that their Federal Government has broken faith with them

and has utterly failed to fulfill the promises which have caused them to make large expenditures. I appeal to the conscience and the fair play of the Members and I most urgently ask them to provide funds with which to carry out the provisions of Public Law 733 which this Congress held forth as a promise and an obligation to carry on the strategic minerals program.

I call to your attention that in dozens of small mines in this country, producers have continued operations and kept on employing miners and borrowing money to meet payrolls on the strength of your promise of a market for their ore. They have piled up this ore and it lies there without a market unless these funds are appropriated. They are far in the hole, overobligated to the banks and lending agencies on the strength of your promise. They have no future except disaster and bankruptcy if you now say you never intended to fulfill the promises upon which they relied. It is not conceivable to me that you will let them down.

There is ample evidence of the urgent need of this program, lest we again be caught without the minerals essential to a crash, war production program and an operating mining industry to provide them. We are all deeply concerned with adequate defense and the strength of America and we need to continue to make sure we have these minerals.

For the strength and future of our country and to fulfill our promises in good faith, I most urgently appeal for the passage of this amendment.

Mr. KIRWAN. Mr. Speaker, I yield 4 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Speaker, I do not customarily take a position in opposition to my good friend from New York [Mr. TABER] or the gentleman from Ohio [Mr. KIRWAN], and if I did not feel keenly about this being an economic measure I would not be here at the present time. I would simply like to rehearse some of the facts which I think indicate that we are going to make a mistake if we do not agree to this amendment. Back at the time of World War II we did not have a domestic tungsten mining industry in this country, so the Government adopted a program of trying to stimulate the production of tungsten in this country. At that time we were paying as high as \$65 a unit for tungsten. We entered into long-range contracts with foreigners for this metal at that price. Then we came along and stimulated the domestic mining industry and, as a result, we brought the price down 100 percent under the amount we were paying to our foreign friends. The industry, of course, sprung up and our producers got in business. At the present time if the Government does not continue to give them support to keep them going, we are going to be again at the mercy of the foreign producers. You are going to be paying a price that will more than offset the amount of the subsidy which we are now giving to our domestic producers.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. DAWSON of Utah. I yield to the gentleman from Utah.

Mr. DIXON. This is not a question of stockpiling, it is a question of the existence of these strategic mines.

Mr. DAWSON of Utah. That is correct.

Mr. DIXON. You cannot turn a mine on and off like you would a faucet. Would the gentleman explain that?

Mr. DAWSON of Utah. That is a mistaken notion that a lot of people have, that by keeping these metals stored up in the ground you are effecting a conservation program; however, if you close a mine which is timbered and subject to flooding, you are going to actually do the very opposite. The timbers rot away, the mine caves in and the metals are lost to the country. The cost of putting them back into production again is far greater than the amount spent in the form of subsidies.

Mr. DIXON. I wish to associate myself with those supporting this amendment. I do not think we should go from white to black in one leap the way the proposed bill would do.

Mr. DAWSON of Utah. Let me inform the Members, particularly those on this side of the aisle, that this is an administration measure. There has been some reference made to the fact the administration does not back it. Ten days ago, Secretary Seaton came before the Senate Interior Committee and in answer to a question I propounded to him in regard to the effect on the industry if we failed to go ahead with the program, he made this statement:

I said this morning that the administration supported the program in the first instance and it supports it now."

Further, in reply to a question by the chairman of the committee, he made this statement:

I said as delicately as I could that I do not want to put any blame on anybody in the Congress, but I feel personally, and I cannot help but express myself, that when the Congress of the United States authorized this program in the last session there was in fact a moral commitment to carry it on.

There is that commitment. These people have gone to the expense of building up their facilities depending on the program being carried out. If we let them down now and close the facilities, we are not keeping faith and the mines will close.

In answer to a further question put to Mr. Wormser, the following statement was made by Mr. Wormser, Assistant Secretary of the Interior, in regard to what would happen to these producers if this appropriation were not granted. He stated:

My feeling is that we perhaps have 1 or 2 producers able to meet the international competitive situation, but by and large the industry has been shutting down.

I can testify that in my own State we have two producers who process tungsten. One is closed down and the other is preparing to close down probably next week if this appropriation is not granted.

In the narrowest sense, the approval of funds for the continuation of the Gov-

ernment's tungsten purchase program is necessary if Congress is to keep its pledge to the domestic producers of this vital and critical metal.

But in the larger sense, continuation of this program—until an adequate alternate can be adopted—is necessary if this Nation is to remain self-sufficient in a metal that, due to the high temperature jet age, is vital to our national defense.

This history of our dependence upon foreign sources is, in miniature, a typical example of what happens when this Nation allows low-cost foreign production of any needed material to become our sole source of supply of this material. First during World War II and more recently in the Korean war we have been given a dangerous and expensive lesson in this regard.

During World War II we managed—of necessity—to meet with domestic production our tungsten needs by bringing into being an entire new industry. This required expensive Government investments and diversion of critically needed manpower from other war industries. But we learned then—as we should remember now—that we cannot depend upon foreign production to meet our needs in times of emergency.

This lesson was quickly forgotten in the bright era of peaceful optimism that flared up briefly after the war. We again allowed our domestic sources to collapse, choosing instead to again become dependent upon foreign sources of tungsten. The folly of this course was soon demonstrated as the cold war flamed into a raging conflict in Korea.

Deprived of major sources of tungsten from abroad, this Nation saw the world market price increase to over \$65 per unit as foreign producers adopted the techniques of charging all the traffic would bear. The only alternative was to revive—again at great expense—our domestic mining industry. Our domestic producers again rose to the task. The tungsten industry arose like the phoenix from its own ashes. Right now, the United States is capable of meeting its own tungsten requirements.

If this industry is to survive—if we are to avoid a mistake already twice-made—we must continue the tungsten purchase program until an adequate substitute is evolved. For my authority, I quote Secretary of Interior Fred A. Seaton. Appearing before the Senate Interior and Insular Affairs Committee on June 4, 1957, the Secretary was asked what would happen if Congress failed to vote funds to continue the tungsten purchase program. He replied and I quote:

Secretary SEATON. Mr. Chairman, in the first place, I would not like to think in terms of being unsuccessful. I said this morning that the administration supported the program in the first instance. It was part of the President's budget in this session of the Congress. The whole administration has supported it time and again.

I said, as delicately as I could, that I did not want to put any blame on anybody in the Congress, but I felt personally, and cannot but feel, that when the Congress of the United States authorized the program in the last session, that there was, in fact, a moral commitment to carry on.

In the language of the appropriation, we were advised that we had been given part of the money, or part of the money had been appropriated to carry it on, and there was certainly at least an implied invitation if not an actual one to return to Capitol Hill and ask for further appropriations in this session of the Congress.

I would hope very much that those of us who believe in the program, and those who feel as I do about the program's being carried on, will be successful in their efforts.

As to what we do if those things do not come to pass, I would much rather reserve that for consideration, but I would assure you, Mr. Chairman, that we would have no intention of just leaving that hanging on the line. What we could do might be entirely different, sir, because a Congress which had refused to appropriate money to carry on a program which it, itself, had authorized might or might not be susceptible to further suggestions, do you not see, either from the Department of the Interior or the administration as a whole, or the gentlemen who are members of this committee and who believe in the program. That is a question I cannot answer.

Mr. Speaker, I do not think any Member of Congress should want to consider this problem on the basis of our being unsuccessful today in our efforts to have it continued. The tungsten program is too involved in our basic defense needs to lend itself to the economy ax. The producers who interpreted a decision by Congress last year to continue the program are entitled to have their confidence in our intent justified. The Nation itself is entitled to the comfortable feeling of knowing that its supply of domestically produced tungsten is available in cases of national emergency.

(Mr. DAWSON of Utah asked and was given permission to revise and extend his remarks.)

Mr. KIRWAN. Mr. Speaker, I yield myself the balance of the time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from California [Mr. ENGLE] asked what would happen if the farm program were changed. I do not know but in the last 25 years farm programs have been changed every year. I would like also to say to the gentleman from Colorado [Mr. HILL] that one farm program that has been kept very stable is the wool growers support price program and the beet sugar producers support prices. If they just apply that rule to the rest of agriculture, we would get along pretty well, but Mr. Benson and some of the Members in Congress are willing to change the farm program every year.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from California.

Mr. ENGLE. It is true, also, is it not, that tungsten is used in armor-piercing shells, in tools, and also in other ways?

Mr. KIRWAN. It is used in many ways. Now, I will tell you that in 1944 the steel companies that were using 72 percent of the total tungsten concentrates for drills and dies and tools were only using 26 percent in 1954. There they are using a substitute which is much

better. I asked for and received a table from the Department of the Interior showing how much tungsten was consumed in the 5 most prosperous years of the history of this Nation, the last 5. They said that an average of 7,400,000 pounds were used annually in the last 5 years. We added 400,000 pounds a year to that, just so that we would not be wrong, and would give them the benefit of the doubt. Based on 8 million pounds a year, we now have enough tungsten for 26 years of peacetime use.

Let me read what President Eisenhower said to the Congress in his budget message. Turn to page 89 of this year's budget. He said, "We have \$260 million worth of tungsten that we cannot put in the stockpile." That is in this year's budget.

One of the speakers who preceded me told you about what a wonderful mineral tungsten is. Any schoolboy or schoolgirl knows that and has known it from the day that Edison invented that light bulb up there. Tungsten was what kept it from burning out. But I am telling you what supply this Government has of tungsten. This is what the President of the United States said in this year's budget, that we have \$260 million worth of tungsten that we cannot put in the stockpile.

The stockpile went up to the limit in about 2 years. Then they came in and extended this act for 2 more years. Then when they tried to extend it still again, the President vetoed it.

There never was a time when the Department of the Interior or anybody down the street asked for this bill. It was initiated here by the Congress. Congress was responsible. Is not that a fine thing to take out to the people of the United States, that that is the way we are running the Government? But that is what we did. The administration never asked for this legislation. We did it. We thought they needed more tungsten. There were no House hearings printed on the matter.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. DAWSON of Utah. The gentleman said that the administration was not backing this program?

Mr. KIRWAN. They just came out for a long-term program, is that correct?

Mr. DAWSON of Utah. That is correct.

Mr. KIRWAN. Secretary Seaton said he was for it. He would be foolish if he were not, when he was appearing before the Congress. Anyone down the street would be for it. But they never asked for it before the Congress passed it.

Mr. DAWSON of Utah. Will the gentleman yield further?

Mr. KIRWAN. I yield.

Mr. DAWSON of Utah. Is it not a fact that in the statement that was handed to some of the Members there was included the fact that the matter was deferred by the committee awaiting the long-range program.

Mr. KIRWAN. Yes.

Mr. DAWSON of Utah. Now the long-range program is out and they are

recommending the continuation of the subsidy-purchase program.

Mr. KIRWAN. Let me turn this thing around and ask the gentleman a question. Is the gentleman for more tungsten when the President says that we have \$260 million of it that we cannot get into the stockpile? Are you for tungsten when one producer of tungsten, General Electric, which owns 30 percent of a mine that produces tungsten, will not buy 1 pound of their own tungsten? But they do tell you that 40 percent of the tungsten that they sold to the Government is of nonstockpile grade. Why, Russia would not do that. There is no nation on earth that would do it.

Mr. DAWSON of Utah. Will the gentleman yield further?

Mr. KIRWAN. I yield.

Mr. DAWSON of Utah. The gentleman asked me a question and I would like to answer it as to whether the President was for this program. The President has recommended this program. I think that is the best answer.

Mr. KIRWAN. I again tell the gentleman this. I heard Mr. Flemming's name mentioned here a while ago. Flemming said, "I again tell you that no additional tungsten purchases are necessary for defense purposes." Then when he is up here with a group of attorneys and Senators around him trying to press him and asking the question, "Will you go for the program?" he would be foolish, as he was leaving the Government in 1 week, not to say that he was for the program. He was just living up to the old adage, "Always leave them laughing when you say goodbye."

Mr. DAWSON of Utah. Why did he recommend it?

Mr. KIRWAN. Because he was going out of the picture. He never asked for it.

Let us review the history of this subsidy program.

In 1953, Congress extended this domestic purchase program for 2 more years to help these producers. During this period we bought \$187,562,000 worth of tungsten and all of it was surplus to the strategic and critical stockpile. We paid \$63 a unit when the market price was \$43.

The President vetoed H. R. 6373 on August 14, 1955, which would have again extended the domestic minerals purchase program. At that time he stated:

Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the program. Indeed this bill would make solution of the overall problems of the industry more difficult. * * * The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry.

On July 13, 1956, S. 3982, which became Public Law 733, was brought in here under the suspension of the rules and was passed without any debate. The legislation had not been proposed by the administration. There were no printed House hearings available and there was not a word of explanation on

the Floor that this law would cost \$91 million.

The Senate Appropriations Committee inserted \$35 million in the Second supplemental appropriation bill, 1957. In conference the Senate conferees agreed to strike the item and the conference report was approved by this House without a dissenting remark.

The Senate insisted on restoring the item in the closing hours of last session and in conference we finally compromised at \$21 million to carry the program until the House committee could review the need for additional purchases. Of this total, \$16,273,000 was for tungsten.

I have now had a chance to study this subsidy and here are some of the facts.

A 6-year wartime supply of tungsten is now on hand in inventory, another year's supply is on order, and at least an additional 2-year supply can be readily produced during war time in United States, Mexico, and Canada.

Based on current annual consumption the supply in inventory and on order would last over 26 years.

As of December 31, 1956, the estimated value of undelivered orders under existing foreign contracts was \$61,957,368. Other funds have previously been made available to finance these contracts some of which extend into 1959.

The United States has purchased to date \$635,683,000 worth of tungsten including \$219,555,000 from domestic producers. An additional \$32,386,000 is estimated for 1958 under the existing foreign contracts.

The President states in his 1958 budget that there is \$260 million worth of tungsten in inventory which cannot be absorbed within existing stockpile objectives and there is no current industrial need for the material in the economy.

The Sixth Annual Report of the Joint Committee on Defense Production states the ultimate net loss to the Government on the tungsten stockpile will be \$138 million, the highest loss among all the minerals.

NUMBER OF TUNGSTEN PRODUCERS

It was claimed that 700 small producers would benefit. Yet only 177 have participated, and 11 producers have received \$12,826,000, or 86 percent of the total. Ninety-two percent of the money went to only 18 producers. Take for example, Idaho.

Under Public Law 733 only three companies in Idaho have sold tungsten to the Government, totaling \$968,000. \$897,000 of this, or 93 percent, went to the Bradley Mining Co. These mines are leased from the Haile Mines, Inc., of North Carolina. Thirty percent of the stock in this company is owned by the General Electric, one of the largest users of tungsten in the United States. Yet, the president of this North Carolina mining corporation testified as follows on page 117 of the Senate hearings in answer to questions by one of the Senators:

Senator ———. I was amazed yesterday when I learned that not a single pound of our domestic production (of tungsten) is used by industry. Do you think that is correct?

Mr. LONG. Not a single pound.

Senator ———. I also understand that some of our biggest processors, General Electric, Union Carbide, Sylvania, are interested in the production of tungsten, the mines where the total output is sold to the Government, although these same companies purchase the tungsten they use in their own operating facilities from abroad; is that correct?

Mr. LONG. Yes.

This means we are being asked to continue buying from the domestic mines of some of these corporations at \$55 a unit while they continue to purchase foreign tungsten for use in their own industry at the United States market price of \$26.

For example, Union Carbide, one of the largest users of tungsten, has received \$1,696,541 under this new subsidy program since last August 1 for tungsten produced in its domestic mines.

The Government to date has purchased over \$26 million worth of tungsten from the North Carolina mines of the Haile Corp., including \$1,375,000 under Public Law 733, at prices far in excess of the going market price.

In addition, this corporation received a certificate of necessity for rapid tax amortization on its tungsten production.

Also this Carolina corporation and the Bradley Mining Co. currently have contracts for Government assistance totaling \$355,000 to discover more tungsten under the defense minerals exploration program. Altogether the Government now has 21 such contracts in force at a cost to the taxpayer of \$1,011,050 to discover more tungsten. Yet Senator MALONE said on page 104 of the Senate hearings on Public Law 733:

For your information there is enough tungsten in Nevada and California to last the country a hundred years * * *. Now we are arguing about how to get rid of it. * * * It is running out of their ears.

What are some of the other corporations who it is said will suffer if this subsidy is not extended again?

First. One company in Colorado, which has received \$932,000 under Public Law 733, reported a net profit of \$15,152,965 from its various mining operations in 1956. According to Moody's Manual, it had assets of \$66,489,302 in 1955.

Second. Another large domestic producer, who has received over \$2 million under Public Law 733, still has over \$22 million due under its contract with the United States to furnish tungsten from its foreign mines. It is the same old story of working both sides of the street.

Third. Another large domestic producer also has mines in Mexico and is negotiating to acquire other interests there. This company announced on April 5, 1957, that it was "dealing with the Mexican Government for a large reduction in export taxes and for the approval of tax subsidies as provided by Mexican law in connection with building of a plant." Yet we are told we need this appropriation to protect our mines from foreign competition.

SMALL NUMBER OF MINERS AFFECTED

Now it has also been claimed thousands of miners would be put out of work if we stopped this subsidy. When we

asked the Assistant Secretary of Interior about this, he said:

There are not too many, however, as a matter of fact.

A president of one of the large tungsten companies testified before the Senate, page 80 of the hearings, that based on figures he had gathered there was a total of only 4,000 employees in the United States who would be affected if the purchase program was stopped. He said as of February 1956, a little over 1,000 were directly employed in Nevada, which has produced about one-third of the tungsten under Public Law 733.

An official of the third largest producer under the program testified he had 308 employees and that they could be consumed by other local industries.

NO OBLIGATION TO PRODUCERS

Now let us look into this claim that we still have an obligation to these producers, for whom the law was previously extended for 2 years at a cost of \$187,562,000. We paid them \$63 a unit when the market price was \$43 and all of the purchases were surplus to the stockpile requirement. Ten of the producers, including Union Carbide, Wah Chang, and Tungsten Mining of North Carolina received certificates for rapid tax amortization.

Public Law 733, which as I said, passed the House without debate under suspension of the rules, merely authorizes appropriations. It contains no definite amount to be appropriated. Nor does it state how much tungsten shall be purchased. Instead it states "No more than 1,250,000 short tons of tungsten." In other words, the law sets a ceiling on purchases, not a minimum—there is no guaranty in the law that the United States will purchase \$70 million worth of tungsten as the proponents claim. Nor has a single contract been executed with any producer.

The initial request for funds went directly from the Budget Bureau to the Senate during the closing days of last session. There was no opportunity for the House Committee on Appropriations to hold hearings and consider the items. The Senate reported out only \$35 million, not the budget estimate of \$91,670,000. It is true that the Senate committee in its initial report stated that it expected the department to submit a supplemental request for funds when additional funds were required. But this did not constitute final action on the item. To the contrary, the Senate committee agreed to strike all funds for Public Law 733 in conference and that report was agreed to by the House without any dissent. The Senate, however, rejected this conference report and the House conferees, in the closing hours of the last session, finally compromised at \$21 million to carry the program until they had an opportunity to review the program. There was no assurance given in the conference report that any additional funds would be provided. To the contrary, the action by the conferees could not be construed to have been other than to cast doubt on possible extension of the program.

The resolution recently adopted by the House Subcommittee on Mines and Mining states:

Whereas the General Services Administration, to which was delegated responsibility for administration of this program, indicated to the domestic miners that the necessary funds to carry out the programs were expected to be forthcoming and that the miners should conduct their operations on this basis (as detailed in letters from GSA in November and December 1956).

I have reviewed these letters, sent to the regional commissioners by the Commissioner here in Washington, and in each instance they made perfectly clear that future acceptance of offers would be dependent upon whether additional funds were made available by Congress. These letters, to which the resolution refers, were necessary because the producers and the Interior Department exhausted the funds by November 1, 1956, within 3 months after they were appropriated, instead of spreading them over until February 1, 1957, as was intended by the conferees. So these producers wanted to keep submitting offers to be on record if they could pressure Congress into appropriating funds and authorizing the backdating of purchases to December 1, 1956. For example, the letter of December 18, 1956, from the General Services Administration clearly stated:

It is repeated that such offers cannot now be accepted and that the final determination as to whether they can be accepted later will depend on the terms upon which further funds may be available to GSA.

We have no obligation to these corporations, and they know it. This is just a last minute smokescreen they have put up when they knew they were fighting a losing battle. If the House Appropriations Committee had been given an opportunity to review this program, they would not even have received the \$16 million that was rushed through in the closing moments of the last session.

And it is interesting that a vice president of one of these tungsten companies is quoted in the "Western Mineral Survey," dated April 5, 1957 as follows:

Mr. Sullivan said that tungsten operations in Montana would proceed, it is anticipated, throughout 1957, "since the Calvert Creek Mines is able to produce ore at a cost that will be competitive with any foreign product."

There is a real obligation, however, which every Member has, and that is to the taxpayers of this Nation. Now that the facts are available, our only course of action is to stop this terrible waste of money. We have purchased \$219,555,000 worth of tungsten from these domestic producers and it is all surplus to our needs. Think of the millions we will have to keep on spending just to maintain this excess material.

Another interesting fact that we have discovered is the poor quality of the tungsten which these producers are dumping on the Government at over \$20 a unit above the market price. We have found that of the tungsten which was sold to the Government prior to Public Law 733 for \$187,562,000, about 40 percent was of nonstockpile grade. Now under Public Law 733 you would expect

that they would have at least shipped us better stuff. But GSA figures show that 18.5 percent of the tungsten received at a cost of \$16 million since last summer was of nonstockpile grade. Maybe this explains why industry prefers to sell its tungsten to United States at subsidy prices and use foreign tungsten in its own plants. And yet they say we have an obligation to these companies.

NO DEFENSE REQUIREMENT

I note that the resolution of the House Subcommittee on Mines and Mining also states:

Whereas any present official statements as to the defense requirements for high temperature metals, such as tungsten, columbium, and tantalum, are completely obsolete (as noted in the letter of December 13, 1956, from the Deputy Secretary of Defense to the Office of Defense Mobilization).

What are the facts? Dr. Flemming was questioned about this at a special hearing before a Senate committee on February 26, 1957, and here is what he stated:

Dr. FLEMMING. You will recall in the letter of December 13 the Secretary of Defense, or the Defense Department, did advise us that it is probable that the military requirements will be lower for most materials than they had been in the past. * * * I do think it well to keep the issue rather sharp. We do not have any firm, tangible evidence from the Department of Defense at the present time pointing to the fact we do not have enough of these materials on hand; we just don't have any evidence along that line. I would like to make that clear.

Now, the tungsten sponsors like to quote Dr. Flemming's statements on this day when they called him up for the special hearing in the Senate and worked him over after we had cut the money out in the House. That was on February 26, 1957, and he resigned and left his Government post on March 14, 1957.

But despite efforts that day to make him say the tungsten supply might not be adequate for defense requirements, he finally said:

Mr. Chairman, members of the Committee, again, I would like to make the proposition very clear. We are not supporting, we did not support Public Law 733, and we are not supporting it now on defense grounds, that is, in terms of the need for these materials for defense purposes as the present moment.

SURPLUS TUNGSTEN AVAILABLE FOR NEW USES

R. H. Thielemann, chairman of the department of metallurgy of Stanford Research Institute, is the leading spokesman for the sponsors of this subsidy on possible new developments of high-temperature alloys. Again it is interesting to know that the Stanford Research Institute is financed by the tungsten producers of this country.

I wonder why the sponsors never discuss what our present inventory of tungsten really means in terms of these so-called future possibilities.

We now have in inventory and on order a surplus of 115,000,000 pounds of tungsten in excess of the long-term strategic stockpile objective. Just for example, let us see what this surplus tungsten will do.

First. They talk of the possible need of more tungsten for jet engines. Even assuming double the present average of about 25 pounds per engine, or 50 pounds we would have enough tungsten surplus to the long-term stockpile objective for 2,300,000 airplane engines. With the present defense requirements of about 12,000 engines per year, the surplus tungsten would be adequate for about 192 years.

Second. Now let us look at this new claim that tungsten may be needed for shielding atomic aircraft from atomic radiation.

It is true that tungsten is one of many metals being studied. However, because of the weight of tungsten it is possible that a lighter weight metal will be found to be more satisfactory.

An atomic airplane will have to be very large to carry the weight involved. Therefore, only a relative small number of such planes would be built considering the excessive cost. Yet even if 10 tons of tungsten would be used in such a plane, we have enough in surplus alone to build 5,750 atomic aircraft.

Now here is what a Member of the other body said a year ago during the Senate hearings on the authorizing bill on this question of the adequacy of the tungsten supply and restrictions on defense use:

Since it has been amply proven, and I said before the success of the program works against me a little bit, that we are now currently producing twice as much tungsten for the normal civilian needs and that you have a 5-year stockpile (it is now 6 going on 7). The going concern production is such that coupled with the stockpile it is so far ahead of needs that there is no need of worrying about it at all.

Dr. FLEMMING. That is right, on the basis of our present requirements and information.

NO LONG-RANGE PLAN FOR TUNGSTEN

The stated purpose of Public Law 733 was to merely provide interim assistance to the tungsten producers pending the development of a long-range nondefense domestic-minerals program. We have all waited patiently for over 2½ years for the administration to come up with solution to the problem. Even as late as May 24, 1957, the House Subcommittee on Mines and Mining in its resolution gave as one of the reasons for supporting this appropriation the fact that the long-range program had not yet been recommended by the administration. Well, last week on June 4, the administration finally submitted its long-range minerals program to Congress. Again I repeat Public Law 733 was merely to provide interim assistance until we have a long-range nondefense plan for tungsten—and what was announced as the long-range plan—that we continue with the interim assistance under Public Law 733. Just go ahead and buy another \$53,650,000 worth of tungsten which we don't need and all the problems will be solved. The domestic producers claim they can't compete with foreign producers in the United States market. I fail to see what is going to be accomplished by continuing to sell all of their tungsten to the United States Government at \$20 a unit over market price, while foreign tungsten is used by industry. The only long-range plan that I can see in this is that they will keep coming back and back for more money. We don't need the tungsten. We have \$260 million worth now we don't know what to do with, and more is still coming in. The taxpayers would be a lot better

off if we gave these producers a gift of \$30 a unit and told them to leave it in the ground.

The truth is there isn't going to be any long-range plan, at least as long as there is hope they can keep this handout going. Now is the time to stop this so-called interim assistance.

I agree with the official of one tungsten company who said in testifying on the authorizing legislation that merely continuing Government purchase of tungsten "would be an easy answer, although I believe at the end of 3 years we will still be faced with the same problem we have today."

The campaign which has been put on by the proponents of this subsidy reminds me of the old days when fictitious names, taken from telephone books, were used to flood Congress with telegrams. I have noticed with interest that similar editorials began showing up in small-town newspapers from Ohio to New England stating the same generalities in favor of the tungsten subsidy. I have not received one letter from a small tungsten producer requesting this appropriation.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. BOLAND. Is it not a fact if General Electric and Union Carbide and these other companies that are buying tungsten which is produced in foreign countries and are yet producing tungsten in the mines here, if they really were interested in a long-range tungsten program, they would be using the tungsten that is produced in our domestic mines by our own industry?

Mr. KIRWAN. That is correct. How do we know that they are not taking the tungsten that is produced over there in the foreign mines and selling it to the Government here?

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. If you will give me proof, I will yield to the gentleman. How do you know they are not doing it?

Mr. DAWSON of Utah. If the gentleman will give me some time, I will try to answer.

Mr. KIRWAN. Oh, if you had the proof, you would give it to me in 2 seconds and I would not have to yield.

This means we are being asked to continue buying from the domestic mines of some of these corporations at \$55 a unit.

Let me show you what happened just this last Friday. The world market on tungsten last Friday closed at \$26—and the duty is included. That means now that we are almost about to give these tungsten people \$30 a unit. Have the farmers ever gotten a break like that?

Mr. WITHROW. What is meant by a unit?

Mr. KIRWAN. It is 20 pounds.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. KIRWAN. I yield.

Mr. TABER. I understand that before the committee of the other body the question was asked of the president of the Tungsten Institute as to whether or not the domestic production was used by industry and the president of the Tungsten Institute said, "Not a single pound."

Mr. KIRWAN. That is correct. He said that not a single pound was used.

Mr. TABER. So they do not use what they produce.

Mr. KIRWAN. No, they do not use what they produce. The can buy it for \$26 and sell it to us for \$55. Suppose we went home and some fellow came up on the television and said, "Look at what John McGook, your Representative, is doing?" Where would we be? Why, they would have us in the ash can—this, the great deliberative body that styles itself the greatest deliberative body on earth. I am only telling you facts.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. EVINS. I think the gentleman has shown to this House that there is an abundance of tungsten available, both in the stockpile and at the mines. I think we should be guided in this debate by the testimony of the Administrator of the General Services Administration before the Independent Offices Subcommittee to the effect that the Government had reached its minimum objective and also its long-range minimum objective in most categories.

Mr. BOLAND. I ask my colleague if this is not true, that not one dime was appropriated here for the fiscal year 1958 for the stockpiling of tungsten by GSA and the Office of Defense Mobilization? Is that not right?

Mr. KIRWAN. Yes, there is more than an abundance in the mineral stockpile. They have achieved the minimum objective and the long-term stockpile objective.

Mr. BOLAND. And the long-term objective was a period of 5 years?

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. Briefly.

Mr. ENGLE. I do not want to make a lengthy statement, but I would like to ask if it is not true that Dr. Flemming, the head of the Office of Defense Mobilization, appeared before the House committee—

Mr. KIRWAN. That was asked before, and I know he did appear before the Senate committee.

Mr. ENGLE. I am getting back to the authorization bill. Let me finish my question.

Mr. KIRWAN. I do not care about that fact. I told you about it and I did not lie.

Mr. ENGLE. I am not accusing the gentleman of lying, I am just calling attention to all the facts.

Mr. KIRWAN. I covered all that, and you sent me to conference without even the hearings being printed.

Mr. ENGLE. I beg to differ with the gentleman, and I want to cite the Record. I am asking a question.

Mr. KIRWAN. On Public Law 733 did you have printed hearings?

Mr. ENGLE. Please let me ask the question. I ask if it is not true that Dr. Flemming, the head of the Office of Defense Mobilization, appeared before the House Committee on the Interior as

well as the Senate Committee on the Interior? And his testimony appears on page 6 of the House Committee Report No. 2596 accompanying the bill S. 982, a measure which became Public Law 733.

Mr. KIRWAN. Dr. Flemming at no time said that he did not have enough tungsten for defense requirements. Now, I have covered that already.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. EDMONDSON. I wanted to ask the gentleman—I am not so concerned about tungsten—

Mr. KIRWAN. I know what the gentleman refers to—the conference with the other body.

Mr. EDMONDSON. I want to ask the gentleman why it was they did not eliminate tungsten.

Mr. KIRWAN. We did not want tungsten, but in the conference they would not take out one; it was all or nothing.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. METCALF. There is a tungsten mine in Montana producing tungsten and selling tungsten on the market, but there are other tungsten mines in Montana which have closed down because they could not produce competitively.

Mr. KIRWAN. Let me read you a letter I received from a taxpayer in Montana.

DEAR MR. CHAIRMAN: The enclosed clipping is an example of the extreme pressure being exerted, on those of you chosen to direct our Federal Government, by special groups.

While it is not my wish to close down these tungsten operators in my county, the fact remains that you have a very great responsibility in expenditures. Our Government must have spent some \$20 million in getting these properties in operation. If they can't stand on their own feet by now, I'm sure there is no hope for them.

This in no way criticizes the initial program. If you need the tungsten for stockpiling, that's one thing. If we don't, let's not have mineral surpluses like we have farm surpluses.

I salute you fellows for doing your own thinking. Keep it up.

Very truly yours,

WILLIAM E. HAND.

DILLON, MONT.

Mr. DURHAM. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from North Carolina.

Mr. DURHAM. I know the gentleman wants to be fair. Does the gentleman know about the tungsten contract we have over there in Korea?

Mr. KIRWAN. I do not care about Korea. We have enough for jet engines to last for 192 years. I know we flew it out of Korea during the war, but we do not need it today.

Mr. DURHAM. We will tear down an engine and we will settle the argument of how much tungsten there is in a jet engine. We will try to do that.

Mr. KIRWAN. We took that up with the research and development laboratory at Wright Field and they said they used on an average from 20 to 25 pounds of tungsten in a jet engine. They are the ones who gave us the information.

Mr. DURHAM. Why are we buying tungsten then?

Mr. KIRWAN. That is what we are trying to prove here today.

Mr. DURHAM. We want to further subsidize the mine and put them in business with American dollars. You cannot blame them for buying it where they are getting it the cheapest.

Mr. KIRWAN. Do we need tungsten today?

Mr. DURHAM. I am not arguing with the gentleman about tungsten, if he will listen to what I said. I was putting this on the basis that we must continue our mining industry in this country.

Mr. KIRWAN. There are about 4,000 people in this country in the tungsten industry from the king down to the miner. I am talking about people working in the industry. It only involves 4,000. Yet in the State of Pennsylvania alone there are something like 25,000 miners who have not worked since World War II and we are not thinking of giving them a bonus to go back to work. We are not giving them any work to do.

Mr. DURHAM. I am not arguing that.

Mr. KIRWAN. I speak from the heart when I say it has not been easy for me to oppose my friends who have favored this appropriation to help the mining industry in their States. I only hope they will understand how I feel when I see this needless expense of \$70 million and realize what that money would accomplish in our national forests and parks, in providing urgently needed flood protection and reclamation, and in research on our national resources. Our committee has approved large increases for the Bureau of Mines. On the 4 minerals covered by Public Law 733, we more than doubled the research in the 1958 bill over what was appropriated in 1956. These are the expenditures which will keep this country great and I will continue to support them. But with the rising cost of Government, we will not be able to provide adequately for these essential expenditures unless we stop needless subsidies like this which benefit only a relatively few individuals.

I have no objection to providing additional funds fluorspar, asbestos, and columbium-tantalum, because these are small industries needing help to get started. An unobligated balance of over \$2 million is still available, and only a very small appropriation is required to carry these 2 minerals through the next fiscal year. I will make every effort to see that these funds are made available.

Now many Members have told me in recent weeks that Members on both sides have come to them and said it would mean their defeat if this tungsten money was not appropriated. The way I look at it, if we give this \$70 million away, the people should ask for waivers on all of us.

I ask you all to support the committee in stopping this tungsten subsidy for I know it is the only right thing for us to do.

DOMESTIC MINERAL POLICIES

Mr. BERRY. Mr. Speaker, I wish to associate myself with the remarks of

those Members who are supporting this amendment.

In my opinion in the debate upon appropriations for the purchase of tungsten and other strategic materials there is much more at stake than the number of dollars involved.

First. The testimony in hearings before congressional committees proves that in 1951 we were desperately in need of tungsten. This need was directly due to the failure of maintaining our tungsten production following World War II. We were relying on cheaper imports from other nations, and seemed to be unwilling to pay a price for American tungsten to offset American costs of labor, taxes, and materials.

Our desperate need of tungsten led the Defense Department to initiate a domestic program which contemplated the production of 3 million units of tungsten at a price which would pay American costs.

In addition contracts were executed with other nations to produce approximately 7,500,000 units at a price level quite comparable to that paid to domestic producers.

The foreign contracts brings up the question, Why did we execute production contracts with them for two and one-half times that of domestic contracts? The answer in my opinion is that many of those in charge of procurement had been led to believe that we did not have the domestic deposits to produce the tungsten required by the Defense Department.

Five years of production, however, have proved that we do have the deposits to produce the tungsten we need for many years in the future, providing we have a mineral policy which believes in domestic production and provides a unit price which will permit the payment of American cost factors.

For Congress and the United States to have the definite proof that we do have tungsten deposits to supply our needs in peace or war is worth many times the cost of the program up to this time.

In addition American industry, knowing that a future supply will be available, can expand the present use of tungsten in producing many new types of high-grade steel.

Second. The Defense Department in setting up a buying program for tungsten and other strategic materials, backed up with appropriations by Congress induced individuals to invest their capital and led them to believe that the program would be replaced with a long-range mineral policy.

In the 84th Congress we enacted Public Law 733. In passing this type of legislation producers were led to believe that the program would be continued until a long-range program could be worked out. Therefore in my opinion Congress is morally obligated to continue the appropriations until such time as may be required to replace it.

Failure to appropriate the funds will mean the closing out of our tungsten industry. In so doing we will liquidate the capital invested for production and once again we will be dependent upon other nations in a period of uncertain supplies and uncertain future needs. I cannot conceive of anything more destructive to

our economy than to discontinue production from our own natural resources. It means a loss of jobs and income.

Three. Opponents of the appropriation are afraid of the cost. Why should we be afraid of costs? If we produce the tungsten we will have both the tungsten and the money. We cannot lose by producing our own supply.

During the 25-year period 1929-53, the record of our economy proves beyond the question of doubt that for each \$1 of raw material produced in our economy we generated \$5 of national income. Let me illustrate the turnover of the new dollar earned by production of new wealth in the form of tungsten.

In 1956 we produced approximately \$55 million of tungsten. With the five times turnover of the new wealth dollar, the industry created \$275 million of national income.

At the present time the average wage earner is receiving approximately \$4,000 per year. In other words the national income created by tungsten production will pay directly and indirectly the wages of 68,750 American workers.

There is an old saying that you cannot have your cake and eat it. Failure to continue the appropriations will force us to lose both the tungsten production and the \$275 million of national income created by its production.

The Federal Government at the present time is receiving approximately 23 percent of the national income in tax revenue. The loss of tax revenue on the national income created by tungsten production will approximate \$63 million.

It should be remembered that in closing up the tungsten mines, we will also close up many communities now dependent upon the mines for their business volume and their payment of State and local taxes. From a financial standpoint for Congress to deliberately vote to shut off the appropriations thus forcing the mines to close would be pennywise and pound-foolish.

Fourth. Finally in voting against the appropriations to continue the mining of tungsten and other strategic materials we will indirectly establish a precedent which could lead to the destruction of all metal mining in the United States.

Since 1954, by the purchase of metals for stockpiling, we have been in reality supporting the metal prices for the entire world. If it is a sound policy to stop the appropriations for tungsten because of the fear of costs, the next logical step would be to vote against all appropriations for stockpiling of other metals. Such a step would force many other types of mining to suspend their production thus shutting off the sources of many billions of dollars of national income.

In closing I would like to point out that since 1940 we have added approximately \$600 billion to the total debt, public and private. We have increased hourly wages from an average of 63.3 cents per hour for all industry up to \$2.05 per hour in 1957.

These financial obligations and the payroll existing at the present time cannot be met by closing down our own production of new wealth. They cannot be met by importing cheap raw materials

from other nations as a reciprocal market to buy the output of manufactured goods. The current buying power of an American miner producing tungsten is approximately five times that of miners in other producing nations.

Stated simply we cannot afford to cut back the production of new wealth from any domestic source if we wish to have the income to operate a solvent economy. What we do in regard to this appropriation is applicable to thousands of American products. If we are going to discontinue our own production because of costs then we must be prepared to accept a similar reduction in payrolls, national income, and domestic buying power.

Mr. KIRWAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House recede from its disagreement to the amendment of the Senate numbered 12.

The question was taken; and on a division (demanded by Mr. ENGLE) there were—ayes 47, noes 156.

So the motion offered by the gentleman from Missouri [Mr. CANNON] was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the conference report may have 5 legislative days to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PUBLIC WORKS APPROPRIATION BILL, FISCAL YEAR 1958

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8090) making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited not to exceed 2 hours, one-half to be controlled by the gentleman from Iowa [Mr. JENSEN], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8090, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, the Committee on Appropriations presents to the House the Public Works Appropriation bill for 1958. With the exception of the mutual security appropriation bill and the usual supplemental bills, it is the last appropriation bill to come to the House.

It is not a perfect bill. But it is probably the most satisfactory public works appropriation bill reported by the committee for some time. It totals \$814,813,023. It is \$61,639,977 below the budget estimates and it is \$52,521,977 below corresponding appropriations for the fiscal year 1957.

We are glad to report that there is not one item in the bill that is not budgeted and there is no item above the budget estimate.

Mr. Chairman, some have contended that the Congress should not permit the Bureau of the Budget to write the appropriation bills. I heartily concur. That is a function of the Congress. Congress does permit some of the departments to write some of their own legislative bills, as you know. Congress in effect has partially surrendered its functions to some of the departments.

But in connection with the disparaging reflections made by some on the function of the Bureau of the Budget, may I call the attention of the House to a very interesting chapter in the fiscal history of the Nation.

It goes back to 1908 and beyond. At that time, although the revenues of the Government were largely from excise taxes, we were already beginning to appreciate the inadequacy of the old haphazard method of handling appropriations.

In 1908 a National Monetary Commission was appointed under the chairmanship of Senator Nelson W. Aldrich, of Massachusetts. This Commission visited practically every capital in Europe, carefully considered the budgetary system of every major nation of the time, and with large and competent staffs exhaustively analyzed and collated European methods with our own.

Finally, in 1919 a special committee of the House under the able chairmanship of Mr. Good, of Iowa, collaborated with a Senate committee and reported out what became the Budget and Accounting Act of 1921.

The pressure for a revised budgetary system was further emphasized when the 16th constitutional amendment was adopted. Under the 16th amendment income taxes brought in such a golden stream of revenue, so far beyond anything which anyone had anticipated, that a more modern system was imperative.

The act of 1921 established the Bureau of the Budget. The Bureau has more than justified the expectations on which it was established. Naturally, it has had its critics but to date there have been no criticism which a one-package appropriation bill would not remedy.

Its estimates should be considered ceilings and this year those ceilings have

been particularly high—the highest in the peacetime history of the country.

And yet there are those who complain because the budget, as large as it is, does not include estimates in which they are personally interested. It might be said in passing that if a project is so lacking in merit or priority as to fail to be included in this year's budget, it must be deficient indeed.

Certainly proponents of a project reveal the poverty of their cause when they seek to make capital for their proposal by abusing the budgetary system established with such painstaking care and so fully justified by the experience of more than three decades of exacting trial and research in the most hectic period of the world's history.

Mr. Chairman, we concede that in the bill now before you—a more than a generous bill—it is possible there may be included, items perhaps of doubtful merit, appropriations which could be reduced or eliminated.

But certainly, Mr. Chairman, the bill provides every expenditure for public works, submitted either by the Bureau of the Budget, or by any member of the committee or the House, legitimately needed at this time.

We welcome reductions which can be justified. We see no possible need for increases in any item.

Mr. Chairman, I yield to the gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I presume most Members have read the report which is not too lengthy, but which explains the bill quite well. The committee recommends an appropriation of \$814,813,023, a reduction of \$61,639,977 or a 7-percent decrease in the budget estimate and \$52,521,977 below similar appropriations for the fiscal year 1957—that is the present year. The recommendations of the committee and the specific appropriation items will be found in the table at the end of the report as usual.

Mr. Chairman, as you know, this appropriation provides funds for a multitude of projects, all river and harbor improvements, flood control, irrigation and reclamation, hydroelectric dams and transmission lines. There are some 280 projects provided for in this bill either for investigating funds, planning funds or construction funds. The committee held hearings for 2 months. There were over 700 witnesses before the committee of which approximately 200 were Members of Congress who came before the committee with people from their districts who are interested in projects in their respective areas.

Mr. Chairman, this bill provides money for many things in America. There is no money in this bill for anything beyond our shores. It is a bill to furnish funds to carry on the conservation of our natural resources of every nature including the conservation of our soil on all our public land, the conservation of minerals and metals and the conservation of soil in every area of this country where erosion is a problem along our seashores and rivers.

So it is a very important bill. I am sure if every American could have the

privilege of sitting in the hearings of the Committee on Public Works they would be intrigued by the great interest manifested by people in every walk of life, asking the Federal Government to spend money for these many projects. I would say an overwhelming majority of those projects are very necessary and worthwhile, and all of a beneficial nature nationally. When we on the committee get ready to mark up the bill to determine how much money we shall allow for each item, we are dealing with important matters. We want to do the thing that is best for every area of the country, but we do not want to appropriate money that is not necessary.

There are disturbing things, of course, that come before the committee. I might read what the report says on page 12, half way down the page, under the heading "Local Cooperation":

The committee is seriously concerned about the lack of local contribution on many of the local flood protection and harbor projects. It feels that where there is a major flood-control problem on large interstate rivers that the Federal Government logically can assume the greater portion of the cost. On those projects that are intrastate, and often of a strictly local origin and benefit, the local interests should rightfully provide a substantial portion of the cost of the projects. It is the intent of this committee to give more consideration to those projects where local interests are willing and able to make the proper contribution, regardless of whether or not the authorization requires it.

Many localities show good faith when they come before the committee, and their representatives tell us that the local contribution to the project is so many hundred dollars or so many thousand dollars or so many million dollars. There are projects in this bill, that cost millions and millions of dollars where there is not one red penny of local contribution I am sorry to say.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I notice on pages 17 and 18 a rather critical reference by the committee of the Ainsworth and Farwell projects in Nebraska. They were disallowed largely because the Ainsworth project paid only 30 percent of the repayment rate and Farwell 40 percent. The average repayment, I am sure the gentleman knows, in the Missouri River Basin is about 17 percent. Some projects only pay back at the rate of 10. However, under reclamation law the power revenues are applied. I am a little disturbed when I find these two projects, after the people had their repayment contracts made and had gone through all of the machinery it is necessary to go through, then have them disallowed on the basis they were not paying back when actually they are paying back far more than the average reclamation project in the United States. There is no flood-control money in here because flood control pays back not one penny.

Mr. JENSEN. I know well what the gentleman is talking about and I can understand why he is disturbed about the fact that funds for those projects were deleted from the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENSEN. I yield myself 5 additional minutes.

Mr. Chairman, generally speaking, reclamation projects pay back on an average about 90 percent of the funds Congress has appropriated for such projects, based upon a 50-year amortization period. These two projects in Nebraska would be exceptions, and I might say that I, too, was quite surprised that these two projects were deleted from the bill.

I do want to call attention also to some language in the bill wherein the committee was quite critical of the Bureau of Reclamation regarding the transfer of funds without coming to the Appropriations Committee members to make a case for such transfer.

I have a statement here from Mr. Dexheimer, Chief, Bureau of Reclamation, which I shall read into the RECORD at this point.

The statement is as follows:

PUBLIC WORKS APPROPRIATIONS FOR FISCAL YEAR 1958—BUREAU OF RECLAMATION

The committee print on the public works appropriation, dated June 13, 1957, covers funds for civil functions of the Department of the Army, civil works of the Corps of Engineers, and the following agencies of the Department of the Interior: Bureau of Reclamation, Bonneville Power Administration, Southeastern Power Administration, and Southwestern Power Administration, and recommends an appropriation of 7 percent below the budget estimate submitted.

It is noted in the report that for the majority of the agencies the committee recommended appropriation of most of the money requested by them. However, it is noted that extreme and drastic cuts far in excess of the 7 percent were made in the Bureau of Reclamation request. For example, planning funds for the Bureau were cut 25 percent. The overall cut for the Bureau of Reclamation is over 12 percent.

This is most difficult to understand because, first, the Bureau of Reclamation is an agency which returns over 90 percent of its funds appropriated by repayment contracts with water users and by power revenues. In addition, over 50 percent of the funds appropriated to the Bureau of Reclamation is from the reclamation fund which is made up of revenues from public land States. The planning work done by the Bureau of Reclamation is most essential to development of sound, economical, and well-engineered projects before presentation to the Congress. Planning of the projects, of course, does not necessarily mean that the Congress will authorize them. Extensive hearings are held before the Interior and Insular Affairs Committees of both Houses before any project is authorized for construction. In view of this, it seems very shortsighted to curtail a program of investigation so important to development of the water resources of the arid Western States.

Now, Mr. Chairman, I have been asked the question as to whether or not the pending bill contains any money for power facilities for the Trinity River project. My answer is a categorical "no", while the bill contains money for other features of the project, it contains no money for power facilities. So that Members will be informed on this point, I should like to make a brief explanation.

The act—Public Law 386, 84th Congress, 1st session, approved August 12, 1955—which authorized the Trinity Riv-

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 20, 1957
For actions of June 19, 1957
85th-1st, No. 106

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HIGHLIGHTS: Senate adopted conference report on third supplemental appropriation bill. Sen. Humphrey urged greater use of voluntary agencies in surplus food disposal overseas. Rep. Marshall stated soil bank program has been a failure. Rep. Hill urged retention of Packers and Stockyards Act functions in USDA. House passed public works appropriation bill. Sen. Johnston introduced and discussed bill to provide health insurance for Federal employees.

SENATE

1. APPROPRIATIONS. Adopted the conference report, as agreed to by the House, on H.R. 7221, the third supplemental appropriation bill for 1957. For other items of interest see Digests 88 and 105). pp. 8635-40. This bill will now be sent to the President.
2. ELECTRIFICATION; RECLAMATION; AMORTIZATION. Senate began debate on S. 555, to authorize a high dam in Hells Canyon. pp. 8613-18, 8629, 8641-59, 8659-73.
3. ATOMIC ENERGY. Passed as reported S. 2243, to provide an authorization for appropriations for cooperative reactor developments for the Atomic Energy Commission. p. 8641
4. FOOD DISTRIBUTION; SURPLUS COMMODITIES. Sen. Humphrey commended the efforts of voluntary agencies in surplus food disposal under Public Law 480, and urged greater use of such groups. pp. 8675-8
5. FARM CREDIT; NOMINATIONS. The Agriculture and Forestry Committee reported the nominations of Marshall Edwards and George Lightburn to be of the Federal Farm Credit Board. p. 8591

with amendments

6. RECREATION. The Interior and Insular Affairs Committee reported/S. 846, to establish a National Outdoor Recreation Resources Review Commission (S. Rept. 471). p. 8592
7. PERSONNEL. Received from the Civil Service Commission a proposed bill to provide Federal contributions and authorize payroll deductions for prepaid health insurance for Federal employees and dependents; to Post Office and Civil Service Committee. p. 8591
8. WATER RESOURCES. The report of the Chief of Engineers on central and southern Fla., Hendry County, was ordered to be printed as S. Doc. 48. p. 8598
9. PUBLIC WORKS. Sen. Johnson criticized the Budget Bureau for allegedly usurping policy-making functions in authorizing flood control and other public works functions. p. 8599
10. FISCAL POLICIES. Sen. Byrd inserted his statement at the opening of the Finance Committee's investigation of fiscal and monetary policies. pp. 8610-11
11. FLOOD INSURANCE. Sens. Pastore, Saltonstall, and Javits lamented the failure to authorize \$14 million for Federal flood re-insurance and indemnification, in H.R. 7221, the third supplemental appropriation bill for 1957. pp. 8619-20
12. FLOOD CONTROL. Sen. Humphrey discussed the floods in Southwestern Minn. and urged action by the Farmers' Home Administration and others to act to aid those in the area, and pointed to this as underlining the need for a broad flood control program. pp. 8674-5
13. LEGISLATIVE PROGRAM. Sen. Johnson stated his hope that by starting at 11:00 the Senate might reach a vote on S. 555, the Hells Canyon bill, by Fri.. p. 8590

HOUSE

14. APPROPRIATIONS. Passed without amendment H.R. 8090, the public works appropriation bill for 1953. pp. 8680-8726
15. FORESTRY. The Interior and Insular Affairs Committee ordered reported H.R. 3358, to supplement the land grant provisions of the Alaska Mental Health Enabling Act to permit the selection of certain public lands in Alaska, and H.R. 7864, to amend the Act of May 4, 1956 relative to the establishment of public recreational facilities in Alaska. p. D551
A subcommittee of the Judiciary Committee ordered reported H.R. 4768, to provide that the U.S. quitclaim all rights, title, and interest in certain lands under Forest Service jurisdiction in San Jacinto, Tex., to private individuals. p. D551
16. RECLAMATION. The Interior and Insular Affairs Committee ordered reported with amendment S. 1482, to amend the Columbia Basin Project Act to increase the limitation on the acreage one family might have of irrigated land, and S. J. Res. 39, to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex. p. D551
17. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported without amendment S. 937, to amend Sec. 4 of the Interstate Commerce Act so as to eliminate the necessity of ICC approval of certain rate publications. p. 8737

[The visitors rose in their places, and were greeted with applause, Senators rising.]

The VICE PRESIDENT. The Chair wishes to speak on behalf of the Members of the Senate in welcoming our distinguished guests from abroad. We are delighted to have them attend the session of the Senate and observe a debate over the Senate rules, which, because of their own experiences, the Chair is sure our guests will understand.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 7, 11, 12, 13, and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 6, 18, 19, 20, 27, 29, 30, 32, 34, and 36 and agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$750,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$4,215,776"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 8, 9, 10, 14, 15, 16, 17, 21, 22, 23, 25, 28, 31, 33, and 35.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,

Managers on the Part of the Senate.

CLARENCE CANNON,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
JOHN TABER,
BEN F. JENSEN,
H. CARL ANDERSEN,
CLIFF CLEVENGER,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, the distinguished chairman of the Committee on Appropriations earlier in the day discussed this matter with the majority leader and the minority leader. We both agreed that as soon as the House civil-rights bill had been laid before the Senate and discussion was had on it, it would be a good time to bring up the conference report. I understand that the report involves no great controversy, and I hope it may be considered now.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. JOHNSON of South Carolina. Mr. President, what appropriation bill is this?

Mr. HAYDEN. The Third Supplemental Appropriation bill.

Mr. JOHNSON of South Carolina. Is that the one which contained the amendment dealing with flood insurance?

Mr. HAYDEN. Yes.

Mr. JOHNSON of South Carolina. I should like to know what the committee of conference did in regard to that amendment.

Mr. HAYDEN. We deleted it from the bill.

Mr. JOHNSON of South Carolina. That amendment was placed in the bill on the floor of the Senate when I offered it. It was taken to conference. I am very much grieved to know that the amendment is not now in the bill. On three different occasions the Senate has placed a similar amendment on appropriation bills.

Mr. HAYDEN. This item is now in the regular independent offices appropriation bill.

Mr. JOHNSON of South Carolina. It is in that bill?

Mr. HAYDEN. Yes. That bill passed the Senate and will go to conference next week. No action has been taken on it yet by the conferees.

Mr. JOHNSON of South Carolina. Is the Senator from Arizona a member of the committee of conference which will consider the Independent Offices Appropriation bill?

Mr. HAYDEN. No, I am not a member of that conference committee. The Senator from Washington [Mr. MAGNUSON] is the chairman of the subcommittee on Independent Offices Appropriations.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of South Carolina. I yield.

Mr. SALTONSTALL. I may say, as one who is himself interested in the item, just as is the Senator from South Carolina, that a similar amendment was adopted by the Senate and is now in conference, as I understand, in the full amount which is necessary. I hope the Senate conferees will be able to sustain it, although it has not been possible to do so in the past 2 or 3 years.

Mr. JOHNSON of South Carolina. I know that is true, but the time limit will expire in August.

Mr. SALTONSTALL. I so understand.

Mr. JOHNSON of South Carolina. If the time runs out, a great injustice will be done to many employees. Furthermore, I think it will result in discrimination in favor of some insurance companies and against other insurance companies.

Mr. SALTONSTALL. I am heartily in favor of the position taken by the Senator from South Carolina.

Mr. JOHNSON of South Carolina. I think every Senator recognizes that fact. I hope the conferees will make certain that the amendment is retained in the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. ALLOTT. Mr. President, reserving the right to object—and I shall not object—I wish to address a question to the Senator from Arizona concerning the situation with respect to tungsten.

Mr. HAYDEN. That amendment, which was placed in the bill by the Senate, was, as the Senator knows, by a teller vote of 156 to 47, rejected by the House.

Mr. ALLOTT. Mr. President, will the Senator from Arizona yield, so that I may say a word or two about this matter?

Mr. HAYDEN. I yield.

Mr. ALLOTT. I shall not object to the conference report at this time, because I realize that to do so would be futile. But I cannot permit the moment to pass, especially in view of some remarks which were made in the House of Representatives yesterday, without calling the attention of the Senate again to the fact that under Public Law 733 certain representations were held forth to the mining interests of the United States. Pursuant to those representations, those interested in the mining industry have invested hundreds of thousands of dollars in mining operations.

The able Senator from Arizona [Mr. HAYDEN] and other able Senators have given us ample support in our attempts to keep the American mining industry upon a sound basis and to protect it from importations from other countries, when critical mineral situations were involved.

Mr. President, it is a sad day when this appropriation is eliminated from the third supplemental appropriation bill.

I wish to extend my own appreciation and that of many of the people of the West to the Senator from Arizona and his colleagues on the committee, for I know they have fought very hard to try to keep the faith of the Congress with the miners, as it was expressed in Public Law 733.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the

Senate to House bill 7221, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.

June 18, 1957.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 8, 9, 10, 14, 21, 22, 23, 25, 28, 31, 33, and 35 to the bill (H. R. 7221) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Strike out the sum of "15,000,000," named in said amendment and insert in lieu thereof: "\$4,000,000, to remain available through June 30, 1958."

That the House recede from its disagreement to the amendment of the Senate numbered 5, and concur therein with an amendment, as follows:

In lieu of the sum of "\$15,000,000" named in said amendment, insert "\$11,500,000"

That the House recede from its disagreement to the amendment of the Senate numbered 16, and concur therein with an amendment, as follows:

In lieu of the matter proposed by the said amendment insert:

"For an additional amount for 'In-patient care,' \$1,000,000, of which \$725,000 shall be derived by transfer from the appropriation for 'General operating expenses,' fiscal year 1957, and \$275,000 shall be derived by transfer from the appropriation for 'Outpatient care,' fiscal year 1957: Provided, That notwithstanding"

That the House insist upon its disagreement to the amendment of the Senate numbered 15.

That the House insist upon its disagreement to the amendment of the Senate numbered 17.

Mr. HAYDEN. Mr. President, I move that the Senate agree to the amendments of the House to the Senate amendments Nos. 2, 5, and 16, and that the Senate recede from its amendments Nos. 15 and 17.

Mr. BIBLE. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. BIBLE. Will the Senator from Arizona indicate the significance of having the Senate recede from its amendment No. 17? Is that amendment the so-called minerals amendment?

Mr. HAYDEN. Yes. As all Senators know, on 2 separate occasions the Senate voted, with only 17 votes in opposition, in favor of the appropriation with respect to tungsten; in other words, to keep the moral obligation imposed by law. The House has refused, by a vote of 47 to 156, to agree to the position of the Senate. So it seems that we have done all we can. It is for that reason that I have moved that the Senate recede.

Mr. BIBLE. The Senator from Arizona knows of the keen interest which those of us from the Western States have taken in regard to this particular amendment. Personally, I very much regret the action taken by the House of Representatives. It seems to me it puts the Congress in the position of failing to keep faith with the American miners.

Mr. HAYDEN. I agree entirely with the Senator from Nevada.

Mr. BIBLE. I cannot stress too fervently the point which has always im-

pressed me, namely, that at this time the Government of the United States is perfectly willing to carry out contracts for the purchase of approximately \$62 million worth of tungsten from foreign sources and foreign producers, but is failing to live up to a moral obligation of the United States Government under Public Law 733. I think that is greatly to be regretted.

For that reason, I must object to having the Senate recede on this amendment.

I would be less than appreciative if I did not say to my good friend, the Senator from Arizona, that I know of the fine work which he, as Chairman of the Appropriations Committee, and the other members of the committee have done in attempting to have this item included in the appropriation bill; and the same is true of the distinguished majority leader and the distinguished minority leader of the Senate. To me, it is unthinkable that by this action the Congress would put out of business or deprive of their occupations approximately 4,000 miners who depend upon the continuance of this provision for their livelihood.

Mr. HAYDEN. However, we are faced with the situation that the bill carries appropriations of \$2 million for the Commodity Credit Corporation; and if the bill is not passed promptly, payless pay-days for the employees of that Corporation will begin on June 24.

Furthermore, the bill carries appropriations of \$500,000 for the Civil Service Commission, for annuities for Panama Canal construction workers and Lighthouse Service widows; and the payments due to be made June 1 have not been made.

The bill also carries appropriations of \$65 million for the Veterans' Administration. The readjustment benefits are due on June 21. But all the funds have been exhausted; and if the bill is not passed promptly, the benefit payments will have to be suspended.

In the case of the Railroad Retirement Board, the bill carries an appropriation of \$600,000. If the bill is not passed promptly, no funds will be available to meet the current payroll of that Board, which will become due next week.

Furthermore, in the case of the Judiciary, the bill carries appropriations of \$253,000 for the salaries of referees; but on June 15, the authority to obligate expired.

The bill also carries other appropriation items of a similar kind.

These agencies and departments of the Government cannot operate unless the necessary appropriations are made.

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. MANSFIELD. I hope the Senator from Nevada [Mr. BIBLE] will change his position, even though I feel exactly as he does. I feel that in this instance the House of Representatives has broken a solemn commitment. But in that connection no blame can be attached to the administration or to the Senate.

However, in this instance the Senate is faced with the existence of a fact; and it is impossible for us to separate one

item of the bill from the others, and to go through the procedure again.

What the Senate conferees insisted upon, and what the Senate got, was a record vote in the House of Representatives, thus showing definitely the opinion on the part of the House.

Although I am not happy about the situation in the case of amendment numbered 17, nevertheless, in view of the circumstances, and despite my great misgivings, I think we should go along with the motion of the Senator from Arizona. All of us know that the Senator from Arizona, the chairman of the Appropriations Committee, and the other members of the committee have worked on this matter for a number of months, and we are certain that they have done their very best.

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I reiterate the statements of the Senator from Montana, in the case of amendment numbered 15, which is in a position similar to that of amendment numbered 17.

Amendment numbered 15 deals with the appropriation for flood insurance. As the distinguished Senator from Rhode Island [Mr. PASTORE] and I have brought out recently, we hope the Appropriations Committee, and particularly its chairman, will give sympathetic consideration to a further supplemental appropriation bill which will include an item to continue the work of the Commission, so that this matter will not be completely dropped, but will be further studied, and perhaps a better bill will come along, and perhaps next January the House of Representatives will take a different position.

Mr. HAYDEN. On the amendment relating to flood insurance, the vote in the House of Representatives was 218 to 186; so the House rejected the amendment by a substantial majority.

On the other hand, it seems only reasonable that funds should be allowed to enable the Commission to proceed in at least a moderate way to carry out the program.

I am very hopeful that in another supplemental appropriation bill, a sum perhaps not so large as \$14 million, but still a reasonable sum—will be included, in order to permit the activities of the Commission to be carried on.

Mr. PASTORE. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. PASTORE. I wish to compliment the distinguished Chairman of the Appropriations Committee, and to express to him my appreciation for his attitude and his cooperation in the case of this particular item. I fully realize the practicalities and the realisms confronting us at this time; and under present circumstances, I do not see how we could attempt to have a further conference held.

However, I wish to say to the distinguished chairman of the committee that the one dim ray of hope I entertain at the present time is this: Even the Members of the House of Representatives who voted against this item at least expressed

some sentiment that this agency should not go out of existence, even though they voted against the item of \$14 million. Perhaps in a future supplemental appropriation bill it will be possible to include an appropriation of a smaller amount which will be acceptable to the House of Representatives, and will enable this agency to exist, and in the meantime

afford opportunity to restudy the entire situation.

Mr. HAYDEN. It is my hope that that will be done.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have inserted in the RECORD a table in regard to the third supplemental appropriation bill, showing the budget estimates, the House and the Senate allowances, and the amounts agreed to in conference.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparative statement of budget estimates, amounts recommended in House and Senate bills, and amounts agreed to in conference

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate	Conference action
	DEPARTMENT OF AGRICULTURE				
	AGRICULTURAL RESEARCH SERVICE				
115	Salaries and expenses: Research.....	(1)	(1)	(1)	(1)
115	Payments to States, Hawaii, Alaska, and Puerto Rico: Penalty mail ²	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)
	EXTENSION SERVICE				
115	Federal Extension Service: Penalty mail ²	(514,000)	(514,000)	(514,000)	(514,000)
	AGRICULTURAL CONSERVATION PROGRAM				
48	Emergency conservation measures.....	² (25,000,000)		15,000,000	4,000,000
S. 36 115	Emergency range conservation ²	(25,000,000)		(25,000,000)	
	FARMERS' HOME ADMINISTRATION				
48	Disaster loan revolving fund.....	(25,000,000)		(15,000,000)	(11,500,000)
48	Loan authorization.....	(26,000,000)		(26,000,000)	(26,000,000)
	OFFICE OF THE SECRETARY				
115	Salaries and expenses ²	(23,400)	(23,400)	(23,400)	(23,400)
	COMMODITY CREDIT CORPORATION				
115	Administrative expense limitation.....	(2,500,000)	(2,000,000)	(2,000,000)	(2,000,000)
	Total, chapter I.....			15,000,000	4,000,000
	DEPARTMENT OF COMMERCE				
	COAST AND GEODETIC SURVEY				
115	Salaries and expenses ²	(55,000)	(55,000)	(55,000)	(55,000)
	RELATED AGENCIES				
	PANAMA CANAL COMPANY				
115	Panama Canal Bridge.....	1,000,000		1,000,000	
	TARIFF COMMISSION				
115	Salaries and expenses.....	25,000	25,000	25,000	25,000
	Total, chapter II.....	1,025,000	25,000	1,025,000	25,000
	DEPARTMENT OF DEFENSE				
	DEPARTMENT OF THE ARMY				
S. 36	Military personnel ²	(27,444,000)		(27,444,000)	(27,444,000)
	DEPARTMENT OF THE NAVY				
115	Medical care, Navy ²	(12,200,000)	(10,000,000)	(10,000,000)	(10,000,000)
	Servicewide supply and finance ²	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)
	DEPARTMENT OF THE AIR FORCE				
115	Military personnel ²	(30,335,000)	(30,335,000)	(30,335,000)	(30,335,000)
	Total, chapter III.....				
	GENERAL GOVERNMENT MATTERS				
	AMERICAN BATTLE MONUMENTS COMMISSION				
	Construction of memorials and cemeteries.....			(1)	(1)
	COMMISSION ON GOVERNMENT SECURITY				
115	Salaries and expenses.....	(1)	(1)	(1)	(1)
	Total, chapter IV.....				
	INDEPENDENT OFFICES				
	CIVIL SERVICE COMMISSION				
115	Salaries and expenses.....	150,000			
115	Annuities, Panama Canal construction employees and Lighthouse Service widows.....	552,000	500,000	500,000	500,000
	Civil Service Retirement Act.....			(1)	(1)
115	Employees' life insurance fund, administrative expenses (increase in limitation).....	(76,500)		(76,500)	
	GENERAL SERVICES ADMINISTRATION				
115	Public buildings service, operating expenses.....	1,220,000	900,000	900,000	900,000
S. 36	Operating expenses, Federal supply service.....	(3)		(1)	(1)

Footnotes at end of table.

Comparative statement of budget estimates, amounts recommended in House and Senate bills, and amounts agreed to in conference—Con.

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate	Conference action
	INDEPENDENT OFFICES—Continued				
	HOUSING AND HOME FINANCE AGENCY				
	Office of the Administrator:				
115	Housing studies, administrative expenses.....	\$170,000	-----	-----	-----
115	Housing studies.....	800,000	-----	-----	-----
115	Federal Flood Indemnity Administration.....	50,000,000	-----	\$14,000,000	(²)
115	Federal National Mortgage Association (increase in limitation).....	(200,000)	-----	-----	-----
	VETERANS' ADMINISTRATION				
115	Medical administration and miscellaneous operating expenses.....	(¹)	-----	-----	-----
115	Inpatient care (transfers).....	(3,000,000)	(¹)	(2,000,000)	(\$1,000,000)
115	Readjustment benefits.....	77,000,000	\$65,000,000	65,000,000	65,000,000
115	Automobiles and other conveyances for disabled veterans (transfer).....	(1,000,000)	(850,000)	(850,000)	(850,000)
	Total, chapter V.....	129,892,000	66,400,000	80,400,000	66,400,000
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
48	Acquisition of strategic materials.....	30,000,000	-----	30,000,000	(¹)
	BUREAU OF INDIAN AFFAIRS				
S. 36	Resources management ²	(150,000)	-----	(150,000)	(150,000)
115	Resources management ²	(133,000)	(133,000)	(133,000)	(133,000)
	FISH AND WILDLIFE SERVICE				
115	General administrative expenses ²	(239,000)	(75,000)	(75,000)	(75,000)
	ADMINISTRATION, DEPARTMENT OF THE INTERIOR				
115	Salaries and expenses ²	(75,700)	(65,000)	(65,000)	(65,000)
	DEPARTMENT OF AGRICULTURE				
	FOREST SERVICE				
	SALARIES AND EXPENSES				
115	Control of forest pests ²	(800,000)	(800,000)	(800,000)	(800,000)
	INDEPENDENT OFFICES				
	Alexander Hamilton Bicentennial Commission.....	-----	-----	15,000	15,000
	INDIAN CLAIMS COMMISSION				
115	Salaries and expenses.....	7,700	7,700	7,700	7,000
	SMITHSONIAN INSTITUTION				
115	Salaries and expenses, National Gallery of Art.....	30,000	30,000	30,000	30,000
	Total, chapter VI.....	30,037,700	37,700	30,052,700	52,700
	DEPARTMENT OF LABOR				
	OFFICE OF THE SECRETARY				
115	Salaries and expenses.....	(24,000)	(24,000)	(24,000)	(24,000)
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	FREEDMEN'S HOSPITAL				
115	Salaries and expenses.....	60,200	46,400	46,400	46,400
	OFFICE OF EDUCATION				
115	Grants for State committees on education beyond the high school.....	650,000	-----	-----	-----
	PUBLIC HEALTH SERVICE				
115	Foreign Quarantine Service.....	67,500	-----	(¹)	(¹)
115	Hospitals and medical care.....	1,260,000	1,184,000	1,184,000	1,184,000
	ST. ELIZABETHS HOSPITAL				
115	Salaries and expenses.....	133,000	133,000	133,000	133,000
115	Construction and equipment, maximum security building.....	673,000	673,000	673,000	673,000
	OFFICE OF THE SECRETARY				
115	Salaries and expenses, Office of Field Administration.....	(68,000)	(68,000)	(68,000)	(68,000)
	Total, Department of Health, Education, and Welfare.....	2,843,700	2,036,400	2,036,400	2,036,400
	NATIONAL MEDIATION BOARD				
115	Salaries and expenses.....	(15,500)	(15,500)	(15,500)	(15,500)
	NATIONAL RAILROAD ADJUSTMENT BOARD				
115	Salaries and expenses.....	(¹)	(¹)	(¹)	(¹)
	RAILROAD RETIREMENT BOARD				
115	Salaries and expenses.....	(600,000)	(600,000)	(600,000)	(600,000)
	U. S. SOLDIERS' HOME				
115	Maintenance and operation.....	(79,000)	(79,000)	(79,000)	(79,000)
	Total, chapter VII.....	2,843,700	2,036,400	2,036,400	2,036,400

Footnotes at end of table.

Comparative statement of budget estimates, amounts recommended in House and Senate bills, and amounts agreed to in conference—Con.

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate	Conference action
	PUBLIC WORKS, DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS				
	DEPARTMENT OF THE ARMY				
115	Entombment of unknown Americans of World War II and Korea.....	\$269,000	\$159,000	\$159,000	\$159,000
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS—CONSTRUCTION—GENERAL				
	Rivers and harbors and flood control.....			(1)	(1)
	DEPARTMENT OF THE INTERIOR				
	Southeastern Power Administration: John Kerr project 2.....	(45,000)		(35,000)	(35,000)
	Total, chapter VIII.....	269,000	159,000	159,000	159,000
	DEPARTMENT OF STATE				
115	Salaries and expenses.....	2,200,000	500,400	1,000,000	750,000
	Emergencies in the diplomatic and consular service.....		725,000	725,000	725,000
115	Contributions to international organizations.....	7,464,384	4,169,409	4,169,409	4,169,409
115	International contingencies.....	450,000	225,000	225,000	225,000
	Total, Department of State.....	10,114,384	5,619,809	6,119,409	5,869,409
	DEPARTMENT OF JUSTICE				
	LEGAL ACTIVITIES AND GENERAL ADMINISTRATION				
	Salaries and expenses, United States attorneys and marshals 2.....	(300,000)		(300,000)	(300,000)
	THE JUDICIARY				
	SUPREME COURT OF THE UNITED STATES				
144	Care of the building and grounds.....	7,500	7,500	7,500	7,500
	COURT OF CLAIMS				
115	Salaries and expenses.....	50,400	34,400	34,400	34,400
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES				
115	Salaries of judges 2.....	1 (300,000)	1 (300,000)	(300,000)	(300,000)
115	Fees of jurors and commissioners.....	160,000	160,000	160,000	160,000
115	Salaries of referees.....	(253,000)	(253,000)	(253,000)	(253,000)
115	Expenses of referees.....	(79,900)	(57,000)	(57,000)	(57,000)
	Total, The Judiciary.....	217,900	201,900	201,900	201,900
	FUNDS APPROPRIATED TO THE PRESIDENT				
115	President's special international program.....	1,500,000	1,300,000	1,500,000	1,300,000
	Total, chapter IX.....	11,832,284	7,121,709	7,821,309	7,371,309
	DISTRICT OF COLUMBIA				
	OPERATING EXPENSES				
115	Department of General Administration.....	(180,000)	(180,000)	(180,000)	(180,000)
115	Personal services, wage-scale employees.....	(415,000)	(415,000)	(415,000)	(415,000)
	CAPITAL OUTLAY				
115	Public building construction.....	(390,000)	(390,000)	(390,000)	(390,000)
	MISCELLANEOUS				
115	Settlement of claims and suits.....	(22,798)	(22,798)	(22,798)	(22,798)
115	Judgments.....	(347)	(347)	(347)	(347)
145	Audited claims.....	(8,062)	(8,062)	(8,062)	(8,062)
	Total, chapter X.....	(1,016,207)	(1,016,207)	(1,016,207)	(1,016,207)
	LEGISLATIVE BRANCH				
	SENATE				
	Payment to the widow of Senator Joseph R. McCarthy.....			22,500	22,500
	CONTINGENT EXPENSES				
	Senate Restaurants.....			30,000	30,000
	Stationery.....			(1)	(1)
	General provisions.....			(1)	(1)
	HOUSE OF REPRESENTATIVES				
	CONTINGENT EXPENSES				
115	Folding documents.....	20,000	9,000	9,000	9,000
	CAPITOL POLICE				
115	General expenses.....	1,500			
	EDUCATION OF SENATE, HOUSE, AND SUPREME COURT PAGES				
115	Education of pages.....	2,240	2,240	2,240	2,240
	GOVERNMENT PRINTING OFFICE				
115	Printing and binding, 1956.....	1,300,000	1,300,000	1,300,000	1,300,000

Footnotes at end of table.

Comparative statement of budget estimates, amounts recommended in House and Senate bills, and amounts agreed to in conference—Con.

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate	Conference action
LEGISLATIVE BRANCH—Continued					
ARCHITECT OF THE CAPITOL					
144	Office of the Architect, salaries.....	\$7,500	\$7,500	\$7,500	\$7,500
144	Capitol building.....	13,500	13,500	13,500	13,500
	Capitol building.....			8,000	8,000
	Capitol building.....			(1)	(1)
	Senate Office building.....	17,000		17,000	17,000
	Total, chapter XI.....	1,361,740	1,332,240	1,409,740	1,409,740
JUDGMENTS AND AUTHORIZED CLAIMS					
156 S. 38	Judgments and authorized claims.....	4,437,896	2,728,739	4,437,896	4,215,776
	Grand total.....	181,699,320	79,840,788	142,342,045	85,669,925

¹ Language.

² To be derived by transfer.

³ Travel limitation increased from \$120,000 to \$135,000.

⁴ Travel limitation increased from \$120,000 to \$130,000.

⁵ In actual disagreement.

The PRESIDING OFFICER. That concludes the action of the Senate on the conference report and the supplemental matters in connection therewith.

THE CIVIL RIGHTS ACT OF 1957

Mr. JOHNSTON of South Carolina. Mr. President, much has been said about the bill which commonly is known as the Civil Rights bill, namely, House bill 6127. I hope each Member of the Senate will read that bill very carefully. I make that statement because the House bill now pending before the Senate is not the same bill the Judiciary Committee has amended. It will be found that the bill which has come from the House gives to the Attorney General the right to act in behalf of any individual in the United States, even against that individual's will.

Here is the way the bill would do away with jury trial: The Attorney General would be able to go into court and ask for an injunction against certain procedures or against certain activities in a community. If the judge should grant the injunction, and after he had granted it, a person in the community should violate the injunction, not willfully, and not even knowing the injunction was in operation, he could be halled into court and without a jury trial convicted and sentenced to so many days, months, or years in jail.

The bill goes further. In order to enforce its provisions, the President of the United States is given the power of using the Army and the Navy to see that the order is put into effect and carried out. So, Mr. President, the bill is so far-reaching I want to ask at this time if it is not true that the bill has had its first reading by title only.

The PRESIDING OFFICER. The Senator is advised that is correct.

Mr. JOHNSTON of South Carolina. Tomorrow the bill will come up for a second reading. I want to ask here and now that when it comes up for its second reading the Senate clerk read it word by word, and line by line, and not skip any of it, so that we may know exactly what is in the bill and so that each person present at that time will know what is contained in the bill. May I make that request at this time?

The PRESIDING OFFICER. The Chair is sorry to inform the Senator that the Parliamentarian advises that the request or objection will have to be made at the time of taking up the bill tomorrow.

Mr. JOHNSTON of South Carolina. I serve notice I shall make that request at the time the bill is taken up tomorrow, because I think it is important that we know exactly what the House bill contains, since it is proposed that it be not referred to any committee, and Senators do not have on their desks a copy of the bill to read, and probably will not have tomorrow morning before they come to the Senate. For that reason I am going to make that request when the Senate is in session tomorrow.

Mr. McNAMARA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan will state it.

Mr. McNAMARA. Is it a fact that the bill has been printed in the RECORD of the House proceedings?

The PRESIDING OFFICER. The Chair begs to advise the Senator that, since there has been no request for the reading of the bill in full, the bill in full will not appear in the CONGRESSIONAL RECORD tomorrow.

Mr. McNAMARA. Mr. President, my question was—

The PRESIDING OFFICER. The Senator is advised that the Parliamentarian informs the Chair that under the handling of the measure so far, and its handling has been completed for today, the bill will not appear printed in the RECORD tomorrow except by title.

Mr. McNAMARA. I was not asking about any action on the part of the Senate today; the question I asked was whether the bill was printed in the RECORD when it was before the House, or in the interim between now and then.

The PRESIDING OFFICER. The Parliamentarian advises that it has not been printed in any Journal of the proceedings of the Senate, and he is not advised whether it was printed during the proceedings in the House.

Mr. McNAMARA. I thank the Chair. I shall seek the information elsewhere.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. McNAMARA. Yes.

Mr. DIRKSEN. If the usual custom in the House was followed, it was read and debated, but the text of the bill is not assembled in one place in the RECORD. It is very doubtful that the bill appears in its entirety in the CONGRESSIONAL RECORD of the House proceedings, unless some special request was made.

The PRESIDING OFFICER. The Chair wishes to inform Senators who may be interested that the Parliamentarian advises that the practice in the House is as stated by the Senator from Illinois, and without having any definite knowledge of it, the Parliamentarian thinks it doubtful that the text of the bill was printed in the RECORD of the House during its consideration.

ORDER OF BUSINESS

Mr. MURRAY obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Montana yield?

Mr. MURRAY. I yield.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

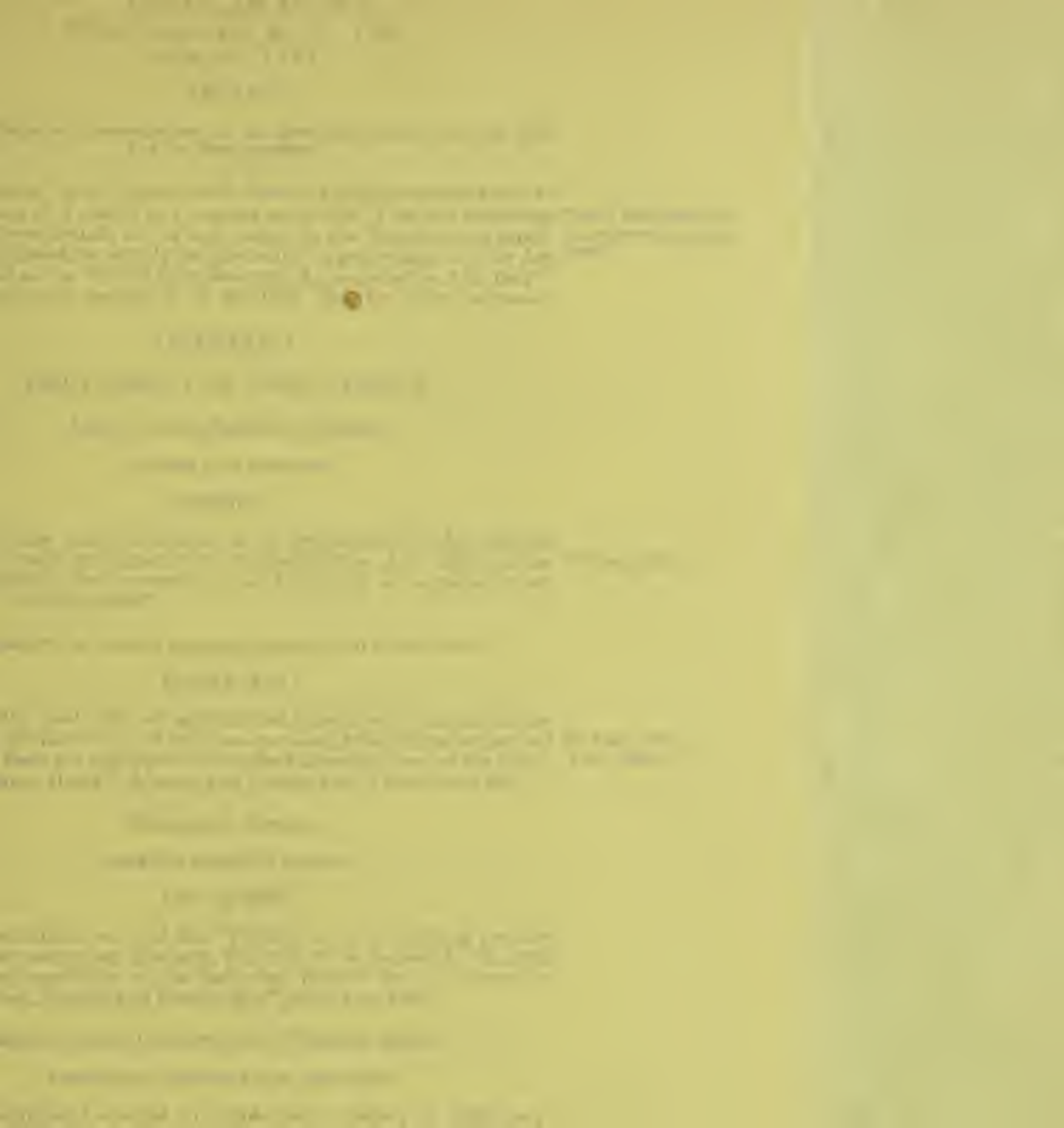
The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. WATKINS. Mr. President, reserving the right to object, in my opinion the Hells Canyon bill is quite an important measure, and I believe some Senators who at least are not either active proponents or opponents of the bill should be present to listen to the debate.

Mr. JOHNSON of Texas. Mr. President, I have no objection, if the Senator wishes to object to the rescinding of the order for the quorum call. There are some Senators whom we cannot make listen to other Senators. I have found that to be true.

Mr. President, I should like to announce that it will be my purpose, if the order for the quorum call is rescinded, to ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Order No. 445, S. 2243, a bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes.



Public Law 85-58
85th Congress, H. R. 7221
June 21, 1957

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1957,
and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the "Third Supplemental Appropriation Act, 1957") for the fiscal year ending June 30, 1957, and for other purposes, namely:

Third Supplemental
Appropriation Act,
1957.

CHAPTER I

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Research

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for construction of buildings, is increased from "\$1,850,000" to "\$1,916,000".

70 Stat. 229.

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

Penalty Mail

For penalty mail costs of agricultural experiment stations, under section 6 of the Hatch Act of 1887, as amended, \$250,000, to be derived by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, and Puerto Rico", fiscal year 1957.

69 Stat. 673.
7 USC 361f.

EXTENSION SERVICE

FEDERAL EXTENSION SERVICE

Penalty Mail

For an additional amount for "Penalty mail", including penalty mail for State extension directors, \$514,000, to be derived by transfer from the appropriation to the Extension Service for "Payments to States, Hawaii, Alaska, and Puerto Rico", fiscal year 1957.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

EMERGENCY CONSERVATION MEASURES

For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will

71 Stat. 176.
71 Stat. 177.

be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for "Disaster relief", for allocations to the Secretary of Agriculture for such purposes, \$4,000,000, to remain available through June 30, 1958: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law.

52 Stat. 34;
69 Stat. 545.

FARMERS' HOME ADMINISTRATION

DISASTER LOAN REVOLVING FUND

Not to exceed \$11,500,000 of the Disaster Loan Revolving Fund established under the Act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said Act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88).

63 Stat. 43;
67 Stat. 150.

LOAN AUTHORIZATIONS

For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$26,000,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

50 Stat. 522;
60 Stat. 1067.
7 USC 1001-
1006, 1017.
65 Stat. 240.

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", not to exceed \$23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount available for administrative expenses of the Corporation, is increased from "\$31,000,000" to "\$33,000,000".

70 Stat. 238.

CHAPTER II

DEPARTMENT OF COMMERCE

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$55,000, to be derived by transfer from the appropriation for "Expenses" National Bureau of Standards, fiscal year 1957; and the limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1957, on the amount available for retirement pay of commissioned officers, is increased from "\$446,000" to "\$501,000".

71 Stat. 177.
71 Stat. 178.

70 Stat. 316.

INDEPENDENT OFFICE

TARIFF COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$25,000.

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY
FUNCTIONS

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL

For an additional amount for "Military personnel", \$27,444,000, to be derived by transfer from the appropriation for "Procurement and production", Army.

DEPARTMENT OF THE NAVY

MEDICAL CARE

For an additional amount for "Medical care", \$10,000,000, to be derived by transfer from the appropriation for "Construction of ships".

SERVICE-WIDE SUPPLY AND FINANCE

• For an additional amount for "Service-wide supply and finance", \$8,000,000, of which \$5,000,000 shall be derived by transfer from the appropriation for "Reserve Personnel, Navy" and \$3,000,000 shall be derived by transfer from the appropriation for "Military personnel, Marine Corps."

DEPARTMENT OF THE AIR FORCE

MILITARY PERSONNEL

For an additional amount for "Military personnel", \$30,335,000, to be derived by transfer from the appropriation for "Military construction", Air Force.

CHAPTER IV

AMERICAN BATTLE MONUMENTS COMMISSION

CONSTRUCTION OF MEMORIALS AND CEMETERIES

To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the Act of April 2, 1956 (70 Stat. 84).

70 Stat. 278.

71 Stat. 178.

71 Stat. 179.

COMMISSION ON GOVERNMENT SECURITY

SALARIES AND EXPENSES

The unobligated balance of the appropriation granted under this head in Chapter V of the Supplemental Appropriation Act, 1957, shall remain available until September 28, 1957.

70 Stat. 685.

CHAPTER V

INDEPENDENT OFFICES

CIVIL SERVICE COMMISSION

ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES AND
LIGHTHOUSE SERVICE WIDOWS

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows", \$500,000.

CIVIL SERVICE RETIREMENT ACT

70 Stat. 743.
5 USC 2251
et seq.

For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment.

GENERAL SERVICES ADMINISTRATION

OPERATING EXPENSES, PUBLIC BUILDING SERVICE

For an additional amount for "Operating expenses, Public Buildings Service", \$900,000.

OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

70 Stat. 343. The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount available for expenses of travel is increased from "\$120,000" to "\$130,000".

VETERANS ADMINISTRATION

INPATIENT CARE

70 Stat. 349. For an additional amount for "Inpatient care", \$1,000,000, of which \$725,000 shall be derived by transfer from the appropriation for "General operating expenses", fiscal year 1957, and \$275,000 shall be derived by transfer from the appropriation for "Outpatient care", fiscal year 1957: *Provided*, That, notwithstanding the last, under this head in the Independent Offices Appropriation Act, 1957, inpatient care and treatment may be furnished to an average of 140,100 beneficiaries during the current fiscal year without any proportionate reduction in expenditures.

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$65,000,00⁰ to remain available until expended.

71 Stat. 179.

71 Stat. 180.

AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED VETERANS

To enable the Administrator to provide, or assist in providing, automobiles or other conveyances for disabled veterans as authorized by the Act of October 20, 1951, as amended (38 U. S. C. 252a-252e), to remain available until expended, \$850,000, to be derived by transfer from the appropriation for "Compensation and pensions".

65 Stat. 574.

CHAPTER VI

DEPARTMENT OF INTERIOR

BUREAU OF INDIAN AFFAIRS

RESOURCES MANAGEMENT

For an additional amount for "Resources Management", \$283,000, to be derived by transfer from the appropriation "Education and welfare services", Bureau of Indian Affairs, fiscal year 1957: *Provided*, That \$133,000 of the amount herein provided shall be for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis.

FISH AND WILDLIFE SERVICE

GENERAL ADMINISTRATIVE EXPENSES

For an additional amount for "General administrative expenses", not to exceed \$75,000, to be derived by transfer from the appropriations for the fiscal year 1957 for "Management of resources" and "Investigations of resources", Fish and Wildlife Service.

ADMINISTRATION, DEPARTMENT OF THE INTERIOR

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$65,000, to be derived by transfer from the appropriations for the fiscal year 1957 for "Office of Oil and Gas", "Office of the Solicitor", and "Office of Minerals Mobilization".

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

SALARIES AND EXPENSES

For an additional amount for "Control of forest pests", \$800,000, to be derived by transfer from any appropriation, for the fiscal year 1957, available to the Department of Agriculture for salaries and expenses (exclusive of such appropriations which include funds for grants): *Provided*, That the limitation under this head in the Department of the Interior and Related Agencies Appropriation Act, 1957, on the amount available for carrying out the Forest Pest Control Act, is increased from "\$2,386,000" to "\$3,186,000".

70 Stat. 267.

INDEPENDENT OFFICES

ALEXANDER HAMILTON BICENTENNIAL COMMISSION

For an additional amount for "Alexander Hamilton Bicentennial Commission", \$15,000.

71 Stat. 180.

71 Stat. 181.

INDIAN CLAIMS COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$7,700.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

For an additional amount for "Salaries and expenses, National Gallery of Art", \$30,000.

CHAPTER VII

DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$24,000, to be derived by transfer in equal amounts from the appropriations for the fiscal year 1957 for "Salaries and expenses", Bureau of Labor Statistics, and "Salaries and expenses", Wage and Hour Division.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

FREEDMEN'S HOSPITAL

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$46,400.

PUBLIC HEALTH SERVICE

HOSPITALS AND MEDICAL CARE

For an additional amount for "Hospitals and medical care", \$1,184,000, of which \$580,000 shall be available only for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act, Public Law 569, Eighty-fourth Congress.

70 Stat. 250.

37 USC 401 note.

FOREIGN QUARANTINE SERVICE

Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

58 Stat. 704.

42 USC 267.

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service', when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of one and one-half times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and two times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regularly scheduled tour of duty.

Overtime

pay.

71 Stat. 181.

71 Stat. 182.

"(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than one hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

SAINT ELIZABETHS HOSPITAL

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$133,000.

CONSTRUCTION AND EQUIPMENT, MAXIMUM SECURITY BUILDING

For an additional amount for "Construction and equipment, maximum security building", \$673,000, to remain available until expended.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES, OFFICE OF FIELD ADMINISTRATION

For an additional amount for "Salaries and expenses, Office of Field Administration", \$68,000, to be transferred from the Federal old-age and survivors insurance trust fund.

71 Stat. 182.

71 Stat. 183.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For additional amount for "Salaries and expenses", \$15,500, to be derived by transfer from the appropriation for "Salaries and expenses, National Railroad Adjustment Board", fiscal year 1957.

NATIONAL RAILROAD ADJUSTMENT BOARD

SALARIES AND EXPENSES

The amount made available under this head for the fiscal year 1957, for compensation and expenses of referees is decreased from "\$175,000" to "\$159,500".

RAILROAD RETIREMENT BOARD

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Railroad Retirement Board (trust fund)", \$600,000, to be derived from the railroad retirement account.

UNITED STATES SOLDIERS' HOME

For an additional amount for "United States Soldiers' Home", to be paid from the Soldiers' Home permanent fund, \$79,000.

CHAPTER VIII

PUBLIC WORKS

DEPARTMENT OF THE INTERIOR

SOUTHEASTERN POWER ADMINISTRATION

OPERATION AND MAINTENANCE

For an additional amount for "Operation and maintenance, Southeastern Power Administration", \$35,000, to be derived by transfer from the appropriation for "Operation and maintenance, Southwestern Power Administration", fiscal year 1957.

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

DEPARTMENT OF THE ARMY

ENTOMBMENT OF UNKNOWN AMERICANS OF WORLD WAR II AND KOREA

For expenses, not otherwise provided for, incident to the selection and burial, with appropriate ceremonies, of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during World War II, as authorized by the Act of June 24, 1946 (60 Stat. 302), and the remains of an unknown American who lost his life while serving in the Armed Forces of the United States during the Korean conflict, as authorized by the Act of August 3, 1956 (70 Stat. 1027), including construction of two crypts and necessary alterations to the existing Tomb of the Unknown Soldier in Arlington National Cemetery, \$159,000, to remain available until June 30, 1958.

71 Stat. 183.

71 Stat. 184.

RIVERS AND HARBORS AND FLOOD CONTROL

CONSTRUCTION, GENERAL

That portion of title III of the Act of July 2, 1956 (Public Law 641, Eighty-fourth Congress, 70 Stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

Buford-Trenton
Irrigation
District.

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of \$1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts numbered H. H. 3170 and H. H. 3168, and not to exceed \$2,000,000 shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the late of Louis Morin, Junior, and the heirs of A. Desjarlais, on or before September 15, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208 C of the Buford-Trenton project, Williams County, North Dakota, according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Junior, now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protec-

54 Stat. 1119.
16 USC 590y.

71 Stat. 184.
71 Stat. 185.

tion of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the Act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and the Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

CHAPTER IX

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$750,

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For an additional amount for "Emergencies in the diplomatic and consular service", \$725,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$4,169,409, of which \$3,333,000 shall be available for payment to the United Nations as contributions for the United Nations Emergency Force.

INTERNATIONAL CONTINGENCIES

For an additional amount for "International contingencies", \$225,000.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For an additional amount for "Salaries and expenses, United States attorneys and marshals", not to exceed \$300,000, to be derived by transfer from any appropriation available to the Department of Justice for the fiscal year 1957.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For an additional amount for "Care of the building and grounds", \$7,500.

The appropriation "Care of the building and grounds", for the fiscal year 1957, shall be available for payment of retroactive wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

68 Stat. 1106.

COURT OF CLAIMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$34,400. 71 Stat. 185.

71 Stat. 186.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES OF JUDGES

For an additional amount for "Salaries of judges", \$300,000, to be derived by transfer from the appropriation for "Salaries of supporting personnel", fiscal year 1957.

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of jurors and commissioners", \$160,000.

SALARIES OF REFEREES

For an additional amount for "Salaries of referees", \$253,000, to be derived from the referees' salary fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68). 60 Stat. 326.

EXPENSES OF REFEREES

For an additional amount for "Expenses of referees", \$57,000, to be derived from the referees' expense fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68 (c) (4)). 60 Stat. 327.

FUNDS APPROPRIATED TO THE PRESIDENT

PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

For an additional amount for the "President's special international program", for United States participation in the Universal and International Exhibition of Brussels, 1958, \$1,300,000, to remain available until expended.

CHAPTER X

DISTRICT OF COLUMBIA

(Out of District of Columbia funds)

OPERATING EXPENSES

DEPARTMENT OF GENERAL ADMINISTRATION

For an additional amount for "Department of General Administration", \$180,000.

PERSONAL SERVICES, WAGE-SCALE EMPLOYEES

For pay increases for wage-scale employees, to be transferred by the Commissioners of the District of Columbia to the appropriations and funds of said District for the fiscal year 1957 from which said employees are properly payable, \$415,000, of which \$54,700 shall be payable from the highway fund, \$36,500 from the water fund, and \$20,300 from the sanitary sewage works fund; said increases in compensation to be effective on the first day of the first pay period beginning after February 1, 1957: *Provided*, That no retroactive compen-

71 Stat. 186.
71 Stat. 187.

68 Stat. 736.
5 USC 2091
note.

sation or salary shall be payable in the case of any individual not in the service of the municipal government of the District of Columbia on the date of approval of this Act, except that such retroactive compensation or salary shall be paid in the case of a deceased officer or employee, or of a retired officer or employee, for services rendered after the effective date of the increase: *Provided further*, That for the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result as provided herein shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of enactment of this Act.

CAPITAL OUTLAY

PUBLIC BUILDING CONSTRUCTION

For an additional amount for "Capital outlay, public building construction", to cover the increased estimated cost of the Anacostia Senior High School addition, to remain available until expended, \$390,000, of which \$15,000 shall be available for construction services by the Director of the Department of Buildings and Grounds.

MISCELLANEOUS

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), D. C. Code 1-902 to 1-906. \$22,798.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 115 (Eighty-fifth Congress), \$347, together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia, as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1956 and prior fiscal years, as set forth in House Document Numbered 115 (Eighty-fifth Congress), \$8,062, together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 per centum per annum as provided by law (Act of July 10, 1952, 66 Stat. 546, sec. 14d). 58 Stat. 533.

D. C. Code
47-2413.

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriations Acts for the fiscal years involved.

CHAPTER XI

LEGISLATIVE BRANCH

SENATE

For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, \$22,500.

CONTINGENT EXPENSES OF THE SENATE

Senate Restaurants: For an additional amount for Senate kitchens and restaurants, \$30,000.

There is hereby established within the Contingent Fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation "Contingent Expenses, Senate, Stationery, fiscal year 1957", (2) any amounts hereafter appropriated for stationery allowances of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the Contingent Fund of the Senate for stationery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year and (2) allowances which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund.

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

The sum of not to exceed \$45 may be transferred between the appropriations "Official Reporters of Debates" and "Contingent expenses of the House, miscellaneous items".

CONTINGENT EXPENSES OF THE HOUSE

Folding Documents

For an additional amount for "Folding documents", \$9,000.

EDUCATION OF SENATE, HOUSE, AND SUPREME COURT PAGES

For an additional amount for "Education of Senate, House, and Supreme Court pages", \$2,240.

GOVERNMENT PRINTING OFFICE

PRINTING AND BINDING

For an additional amount for "Printing and binding", fiscal year 1956, \$1,300,000.

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

For an additional amount for "Salaries", \$7,500.

TRAVEL LIMITATION

The limitation on expenses for travel on official business under the Architect of the Capitol contained in the Legislative Branch Appropriation Act, 1957, is hereby increased by \$4,500.

PAY INCREASES, WAGE-BOARD EMPLOYEES

Appropriations for the fiscal year 1957 available for expenditure by the Architect of the Capitol shall be available for payment of retroactive wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

68 Stat. 1106.

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For an additional amount for "Capitol Buildings", \$21,500.

Not to exceed \$25,000 of the amount of \$60,000 under the heading "Capitol Buildings" continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of two additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the two elevators in the Senate wing located adjacent to the two additional elevators, and is continued available until June 30, 1958.

70 Stat. 365.

41 USC 5.

SENATE OFFICE BUILDING

For an additional amount for "Senate Office Building", \$17,000.

UNIFORM ALLOWANCES

The appropriations for "Capitol Buildings", "Senate Office Building", and "House Office Buildings", for the fiscal year 1957, shall be available for uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131).

68 Stat. 1114.

BOTANIC GARDEN

SALARIES AND EXPENSES

The appropriation for "Salaries and expenses", for the fiscal year 1957, shall be available for payment of retroactive wage-board pay increases effective December 2, 1956, to those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U. S. C. 1082 (7)).

68 Stat. 1106.

GENERAL PROVISION

Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement.

CHAPTER XII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document Numbered 156, Eighty-fifth Congress, and Senate Document Numbered 38, Eighty-fifth Congress, \$4,215,776, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

Approved June 21, 1957.

